

THE EDGE CENTURION Club 2019

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THE EDGE CENTURION Club 2019

CONGRATULATIONS ALL WINNERS



Spearheaded by The Edge Media Group, The Edge Malaysia-Centurion Club Corporate Awards aims to discover and give due recognition to mid-cap companies for their grit and merit. Photo by Sam Fong

The Edge's inaugural Centurion Club Awards honours mid-cap companies

Thirty-four awards were given out to 25 firms, with Hai-O crowned The Centurion of The Year

BY JOYCE GOH, WONG EE LIN
& CHESTER TAY

KUALA LUMPUR: The Edge Media Group kicked off its inaugural The Edge Malaysia-Centurion Club Corporate Awards last night to celebrate and recognise the country's best-performing mid-capitalisation (cap) companies. A total of 34 awards were presented to 25 companies at an exclusive dinner event graced by Finance Minister Lim Guan Eng.

"The Edge Malaysia-Centurion Club & Corporate Awards 2019 honour the best-performing companies in Malaysia with a market cap of RM100 million to below RM1 billion. Our objective is to encourage Malaysian companies to be more efficient, competitive and successful while being socially responsible," said The Edge Media Group chairman Datuk Tong Kooi Ong in his welcome address.

"Though The Edge Malaysia-Centurion Club members may not be as large in size and market cap, we think it is timely to recognise these deserving hidden gems with performance and potential that can match big conglomerates, and which tend to be overlooked by investors," Tong said.

He also said as this membership's market cap range includes more companies, it is all

the more important to differentiate the good and bad performers. "These relatively smaller companies which usually fall outside the radar of big investment funds need to be identified and recognised to encourage greater inclusiveness in Corporate Malaysia," he added.

Spearheaded by The Edge Media Group, the initiative — aiming to discover and give due recognition to mid-cap companies for their grit and merit — is jointly supported by presenter CIMB Group Holdings Bhd, main sponsor Matrix Concepts Holdings Bhd, and official timepiece Hublot, represented by The Hour Glass Malaysia.

Among the criteria a company must meet to join the exclusive The Edge Malaysia-Centurion Club: It must be listed on Bursa Malaysia as at end-March of the current calendar year, it must not be suspended or be under Bursa's watch list, and it must not be delisted before the date of the awards. Its market cap must also be no less than RM100 million but below RM1 billion.

This year, there are 423 The Edge Malaysia-Centurion Club members with a collective market cap of RM133.3 billion as at March 29. They made a collective pre-tax profit of RM8.2 billion for the financial year 2018 (FY18), about RM12 billion for FY17, and RM9.4 billion for FY16. The compa-



Tong: Relatively smaller companies which usually fall outside the radar of big investment funds need to be identified and recognised to encourage greater inclusiveness in Corporate Malaysia. Photo by Mohd Izwan Mohd Nazam

nies raked in a net profit of RM4.3 billion for FY18, compared with FY17's RM7.2 billion and FY16's RM5.8 billion. Their total shareholders' fund grew to RM188.2 billion (FY18) from RM186.4 billion (FY17) and RM179.4 billion (FY16).

It is estimated that they contributed RM4 billion in taxes to the country's coffers in FY18.

Hai-O the night's biggest winner

Hai-O Enterprise Bhd emerged as the night's biggest winner and was recognised as the best performer among Centurion members with The Centurion of The Year Award.

It won two other awards — the Highest Growth in Profit after Tax over Three Years and the Highest Returns to Shareholders over Three Years — under the Consumer Products & Services sector.

Hai-O managing director Tan Keng Kang and his father Tan Kai Hee, Hai-O executive chairman and founder, were stunned after the group was announced winner of the night's top honours.

"My father is very grateful for this award from The Edge. It is really a surprise to him, to all of us. How is this possible? We thought this is impossible.

"This award is based on our 2016, 2017 and 2018 results. There are some challenges in 2019, but this will be a big motivation to our team and a recognition of their hard work. With this award, we hope to be able to achieve something bigger in the future," said Keng Kang.

The two sectoral awards Hai-O won are part of three award categories spread across 12 sectors, with the third category being the Highest Return on Equity over Three Years (see the full winners' list).

To qualify for these corporate awards, a member of The Edge Malaysia-Centurion Club must be listed for at least four calendar years before the cut-off date of end-March of the current year, as companies are evaluated based on their financial performance over three years.

Following a stringent and transparent assessment, the results were audited by Deloitte Malaysia.

Tengku Datuk Seri Zafrul Aziz, group chief executive officer (CEO) of CIMB Group — the presenter of The Edge Malaysia-Centurion Club Corporate Awards — said he sees great synergy between The Edge and CIMB in promoting best practices and uncovering hidden gems among listed Malaysian corporates in

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the mid-cap category.

"Congratulations to the winners. Promoting well-run companies is very much in line with CIMB's focus on sustainability. For CIMB, businesses should, as much as possible, create real, positive environmental, economic and social impact in markets where they operate," he said.

Main sponsor Matrix Concepts group managing director Ho Kong Soon said The Edge Malaysia-Centurion Club Corporate Awards is great for companies to build brand awareness and fuel collaborations and strategic alliances among companies in trades and investments in future.

"We are honoured to participate for the first time in honouring the country's best-performing small and medium enterprises and CEOs. Many of these companies are hidden gems and we hope this [recognition] will enable them to evolve and grow further. Our heartiest congratulations to this year's winners," Ho added.

The Hour Glass Malaysia general manager S K Teh said Hublot was excited to be part of last night's exclusive event, as he congratulated the winners.

"As a brand, Hublot strives to be first, unique and different. The opportunity to participate in this inaugural event is very exciting. We hope, in a small way, that we are able to support the Malaysian economy by discovering hidden gems in the local market. Indeed, these sectors tend to be overlooked by investors, so we see this as an opportunity for these companies to be recognised."

The Edge Malaysia-Centurion Club Corporate Awards is the second awards by The Edge Media Group after The Edge Billion Ringgit Club (BRC) — which marked its 10th iteration this year — that celebrates merit in Corporate Malaysia. The BRC honours those with a market cap of RM1 billion and more.

"The Edge is in the best position to initiate these awards promoting merit in Corporate Malaysia. Over the years, since our inaugural *The Edge Malaysia* publication in 1994, we have earned our reputation as Malaysia's leading financial and business publication. We have proven our integrity in providing unbiased, timely, independent and insightful analyses and commentaries on Corporate Malaysia," said Tong.

"Also, our award methodology and criteria are transparent and independently audited, [which] lend further credence to The Edge awards, coveted by Corporate Malaysia. Our awards are strictly merit-based," he added.

More details on The Edge Malaysia-Centurion Club members and last night's award winners will be published in a special supplement in *The Edge Malaysia* next week.

Invest more, government is by your side, minister tells businesses

BY CHESTER TAY & WONG EE LIN

KUALA LUMPUR: Finance Minister Lim Guan Eng has called on Malaysian businesses to invest in high-value areas to take advantage of global supply chain relocation arising from the US-China trade war.

"The government will be by your side," Guan Eng told business leaders at The Edge Malaysia-Centurion Club Corporate Awards 2019 ceremony yesterday.

"I trust that as business owners and entrepreneurs, all of you here know best about what works and what does not. And your company's success and growth will in turn translate into more jobs, higher wages for the people, an increased tax income for the government and a more resilient economy," he said.

"I would like to encourage you to be brave in taking calculated risks and invest more, especially in high-value areas that can help

unlock productivity growth. We need you at the forefront in creating new growth drivers to propel the economy forward."

Guan Eng said the trade war between China and the US provides Malaysia with a rare opportunity to reverse the premature deindustrialisation and readjust the country's growth trajectory to be a fully industrialised advanced economy.

As Malaysia's biggest trade partner, Guan Eng noted there is still space to grow for Chinese investments. Thus, the government has a special dedicated channel for Chinese firms interested

in investing in Malaysia.

Citing the Malaysian Investment Development Authority, Guan Eng said the US was the top source of approved manufacturing foreign investments during the first half of 2019, with plans to invest RM11.7 billion, followed by China at RM4.8 billion.

"Malaysia has been suffering from premature deindustrialisation since 2000. Our high-tech share to the GDP (gross domestic product) has been declining and replaced by low-skill and low-cost industries.

"Indeed, from 1988 to 1997, Malaysia's economy on average grew 9.3% yearly, but from 2000 to 2018 the average came down to 5.1% only. We know this is not sustainable and we need to change our economic trajectory to become a fully industrialised advanced economy.

"The trade tension is reorienting the global supply chain and this is a chance for Malaysia to attract new high-value, high-tech investments from companies adversely affected by the trade tension."

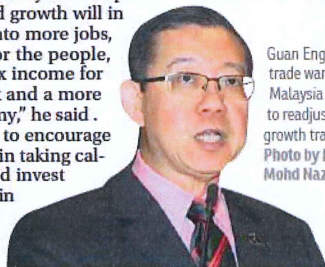
Additionally, the government

will be providing RM50.2 billion at least over five years to put Malaysia back to business and Malaysians back to work.

"Next year, we are encouraging SMEs (small and medium enterprises) to adopt digitalisation," said Guan Eng, adding that the government will provide a 50% matching grant of up to RM5,000 per company for the subscription of electronic point of sale system, enterprise resource planning (ERP) and electronic payroll system."

This matching grant, worth RM500 million, is limited to the first 100,000 SMEs applying to upgrade their systems, he said.

Guan Eng also reiterated that the government will be allocating RM550 million to provide Smart Automation matching grants for 1,000 manufacturing and 1,000 services companies to automate their businesses, in which this grant is given on a matching basis of up to RM2 million per company.



Guan Eng: The US-China trade war provides Malaysia an opportunity to readjust the country's growth trajectory.
Photo by Mohd Izwan Mohd Nazam

Winners of The Edge Malaysia-Centurion Club Corporate Awards 2019

CENTURION OF THE YEAR Hai-O Enterprise Bhd

CONSTRUCTION

Highest return on equity over three years
Econpile Holdings Bhd

Highest growth in profit after tax over three years
George Kent (M) Bhd

Highest returns to shareholders over three years
Stella Holdings Bhd (Formerly known as Merge Energy Bhd)

CONSUMER PRODUCTS & SERVICES

Highest return on equity over three years
SEG International Bhd

Highest growth in profit after tax over three years
Hai-O Enterprise Bhd

Highest returns to shareholders over three years
Hai-O Enterprise Bhd

ENERGY

Highest return on equity over three years
Deleum Bhd

Highest growth in profit after tax over three years
Uzma Bhd

Highest returns to shareholders over three years
Deleum Bhd

FINANCIAL SERVICES

Highest return on equity over three years
RCE Capital Bhd

Highest growth in profit after tax over three years
RCE Capital Bhd

Highest returns to shareholders over three years
RCE Capital Bhd

HEALTHCARE

Highest return on equity over three years
Kotra Industries Bhd (joint winners)
YSP Southeast Asia Holding Bhd (joint winners)

Highest growth in profit after tax over three years
Kotra Industries Bhd

Highest returns to shareholders over three years
Kotra Industries Bhd

INDUSTRIAL PRODUCTS & SERVICES

Highest return on equity over three years
Scicom (MSC) Bhd

Highest growth in profit after tax over three years
Dufu Technology Corp Bhd

Highest returns to shareholders over three years
PMB Technology Bhd

PLANTATION

Highest return on equity over three years
Innoprise Plantations Bhd

Highest growth in profit after tax over three years
MHC Plantations Bhd

Highest returns to shareholders over three years
Kluang Rubber Co (M) Bhd

PROPERTY SECTOR (RM3 BILLION AND ABOVE MARKET CAP)

Highest return on equity over three years
Country View Bhd

Highest growth in profit after tax over three years
Country View Bhd

Highest returns to shareholders over three years
Paramount Corp Bhd

REIT

Highest return on equity over three years
Hektar REITS

Highest growth in profit after tax over three years
Amanah Harta Tanah PNB

Highest returns to shareholders over three years
Atrium REITS

TECHNOLOGY

Highest return on equity over three years
Elsoft Research Bhd

Highest growth in profit after tax over three years
KESM Industries Bhd

Highest returns to shareholders over three years
JHM Consolidation Bhd

TELECOMMUNICATIONS, MEDIA & UTILITIES

Highest return on equity over three years
Opcom Holdings Bhd

Highest growth in profit after tax over three years
Opcom Holdings Bhd

Highest returns to shareholders over three years
PBA Holdings Bhd

TRANSPORTATION & LOGISTICS

Highest return on equity over three years
Harbour-Link Group Bhd

Highest growth in profit after tax over three years
Complete Logistic Services Bhd (joint winners)
Shin Yang Shipping Corp Bhd (joint winners)

Highest returns to shareholders over three years
Tasco Bhd