

BILLION RINGGIT Club

Winners of THE EDGE BILLION RINGGIT CLUB corporate awards 2016

VALUE CREATOR

MALAYSIA'S OUTSTANDING CEO

Tan Sri G Gnanalingam

Executive Chairman of Westports Holdings Bhd

COMPANY OF THE YEAR

AirAsia Bhd

SPECIAL AWARD

1ST COMPANY TO BREACH RM100 BIL MARKET CAPITALISATION

Malayan Banking Bhd

GOLD

SUPER BIG CAP COMPANIES

Companies with more than RM40 billion market capitalisation

HIGHEST RETURN ON EQUITY OVER THREE YEARS
Maxis Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Tenaga Nasional Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
IHH Healthcare Bhd

BIG CAP COMPANIES
Companies with RM10 billion to RM40 billion market capitalisation
HIGHEST RETURN ON EQUITY OVER THREE YEARS
DiGi.Com Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
AirAsia Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Hap Seng Consolidated Bhd

CONSTRUCTION SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Gamuda Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
IJM Corp Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Kerjaya Prospek Group Bhd

CONSUMER PRODUCTS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Nestlé (Malaysia) Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Panasonic Manufacturing Malaysia Bhd
Hong Leong Industries Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Kawan Food Bhd

FINANCE SECTOR
(Below RM10 billion market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
AEON Credit Service (M) Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
LPI Capital Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Syarikat Takaful Malaysia Bhd

FINANCE SECTOR
(RM10 billion and above market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Public Bank Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Public Bank Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Hong Leong Bank Bhd

INDUSTRIAL PRODUCTS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Scientex Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Scientex Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
VS Industry Bhd

PLANTATIONS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Kuala Lumpur Kepong Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Batu Kawan Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Kim Loong Resources Bhd

PROPERTY SECTOR
(Below RM3 billion market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Matrix Concepts Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
KSL Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sunsuria Bhd

PROPERTY SECTOR
(RM3 billion and above market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
UOA Development Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
UOA Development Bhd
IGB Corp Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sunway Bhd

REIT SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
KLCCP Stapled Group

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
IGB REIT

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
IGB REIT

TRADING/SERVICES, HOTELS, IPC AND TECHNOLOGY SECTORS
HIGHEST RETURN ON EQUITY OVER THREE YEARS
DiGi.Com Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
AirAsia Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
George Kent (Malaysia) Bhd
ViTrox Corp Bhd

SILVER

SUPER BIG CAP COMPANIES
Companies with more than RM40 billion market capitalisation
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Public Bank Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Public Bank Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Tenaga Nasional Bhd

BIG CAP COMPANIES
Companies with RM10 billion to RM40 billion market capitalisation
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Astro Malaysia Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Hap Seng Consolidated Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Westports Holdings Bhd

CONSTRUCTION SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Muhibbah Engineering (M) Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Ekovest Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Ekovest Bhd

CONSUMER PRODUCTS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Dutch Lady Milk Industries Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
QL Resources Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Hong Leong Industries Bhd
Padini Holdings Bhd

FINANCE SECTOR
(Below RM10 billion market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Syarikat Takaful Malaysia Bhd
Bursa Malaysia Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
BIMB Holdings Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
LPI Capital Bhd

FINANCE SECTOR
(RM10 billion and above market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Hong Leong Bank Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Malayan Banking Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Malayan Banking Bhd

INDUSTRIAL PRODUCTS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Petronas Gas Bhd
Hartalega Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Top Glove Corp Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Press Metal Aluminium Holdings Bhd

PLANTATIONS SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
IOI Corp Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Genting Plantations Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Far East Holdings Bhd

PROPERTY SECTOR
(Below RM3 billion market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
KSL Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
MKH Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
Matrix Concepts Holdings Bhd

PROPERTY SECTOR
(RM3 billion and above market cap)
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Mah Sing Group Bhd
Sunway Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
S P Setia Bhd
Mah Sing Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
UOA Development Bhd

REIT SECTOR
HIGHEST RETURN ON EQUITY OVER THREE YEARS
IGB REIT

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
Sunway REIT

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
YTL Hospitality REIT

TRADING/SERVICES, HOTELS, IPC AND TECHNOLOGY SECTORS
HIGHEST RETURN ON EQUITY OVER THREE YEARS
Astro Malaysia Holdings Bhd

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS
MMC Corp Bhd

HIGHEST RETURNS TO SHAREHOLDERS OVER THREE YEARS
My E.G. Services Bhd

BEST CR INITIATIVES

Super Big Cap — above RM40 bil market cap
FIRST PLACE
Tenaga Nasional Bhd

BEST CR INITIATIVES

Big Cap — RM10 bil to RM40 bil market cap
FIRST PLACE
Telekom Malaysia Bhd

BEST CR INITIATIVES

Below RM10 bil market cap
FIRST PLACE
Allianz Malaysia Bhd

SPECIAL AWARD FOR PUBLIC SERVICE

Astro Malaysia Holdings Bhd
— Ola Bola

HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

HIGHEST RETURN ON EQUITY OVER THREE YEARS

INDUSTRIAL PRODUCTS

Scientex

Manufacturer with a growing property division

BY LIEW JIA TENG

Scientex Bhd's exponential growth is evidenced by its all-time high revenue and profit in its financial year ended July 31, 2016 (FY2016), and recognised by two The Edge Billion Ringgit Club awards this year.

Incorporated in 1968 and majority-owned by the Lim family, Scientex was originally involved in the production of polyvinyl chloride leather cloth for the automotive interior segment and sheeting for industrial and consumer products.

Under the leadership of the Lim family's second generation, Scientex has become a leading industrial plastic packaging manufacturer and an established property developer in southern Malaysia. Managing director Lim Peng Jin, the youngest son of founder Lim Teck Meng, who began his chemical engineering career in Japan before joining the company in 1991, is currently the key figure behind Scientex.

Scientex's revenue grew 22% year on year to RM2.2 billion in FY2016 while its net profit surged 52% to RM240.9 million. Its earnings per share (EPS) was also higher, growing from 70.43 sen in FY2015 to 105.88 sen in FY2016. The group's EPS has effectively doubled from

51 sen in FY2013, reflecting its strong and sustained growth over the last three years.

Scientex's record year in FY2016 was achieved on the back of phenomenal performances by both its manufacturing and property divisions.

Manufacturing revenue grew 20.5% to RM1.5 billion, fuelled by higher export sales of RM1.1 billion, representing a year-on-year growth of 22.5%. The property division, meanwhile, performed beyond expectations despite a slow property market. Its revenue rose 26.3% year on year to hit RM651.5 million.

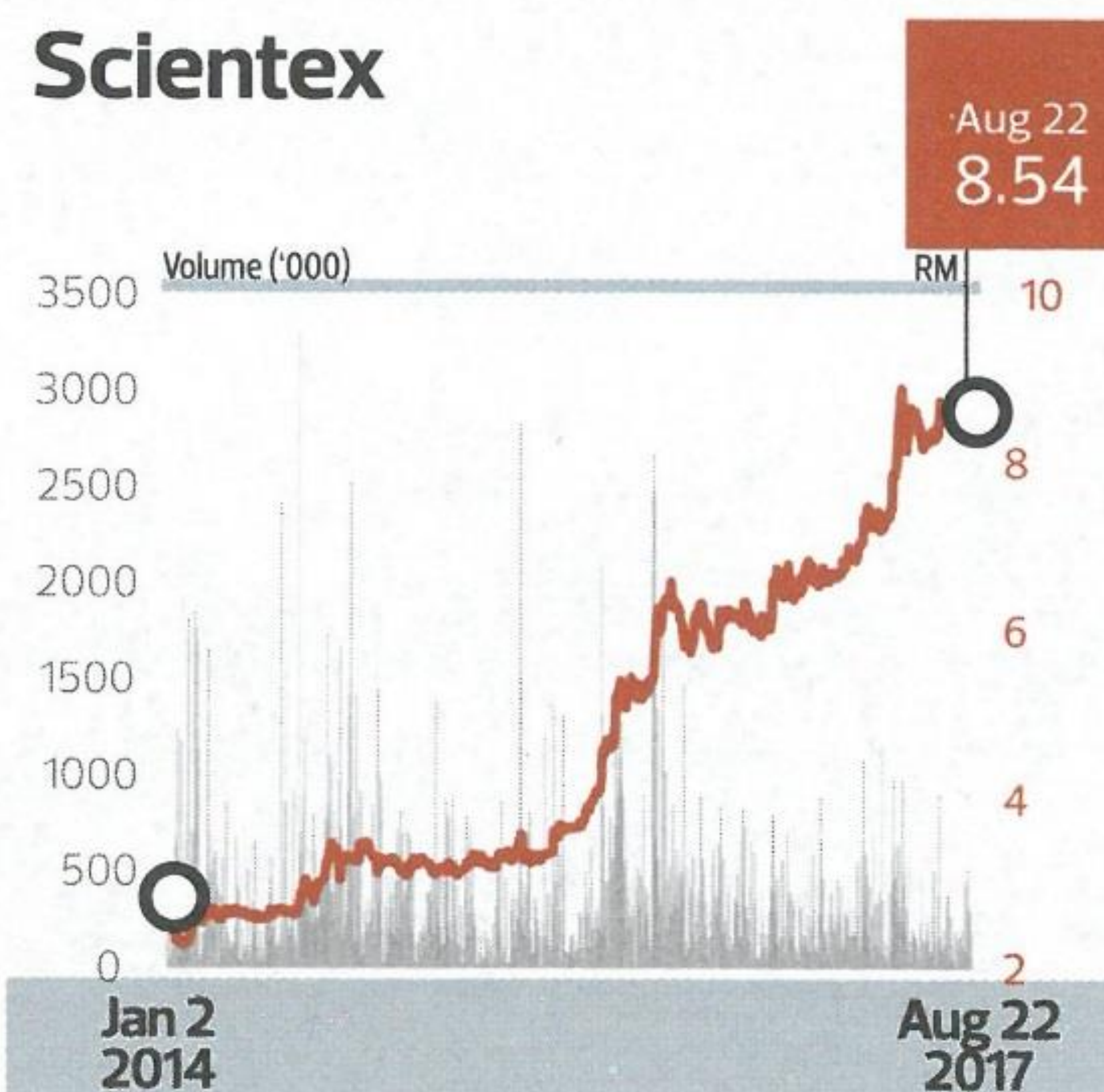
Scientex registered a compound annual growth rate (CAGR) of 29% in its profit before tax between FY2013 and FY2016, from RM142.98 million to RM306.33 million. In fact, the company also registered a 15-year net profit CAGR of 29% between FY2001 and FY2016.

Net profit more than doubled to RM240.9 million in FY2016 from RM110.3 million in FY2013, translating into a three-year CAGR of 29.7%.

The group's return on equity (ROE) was well above that of its peers in the past three years – 20.83% in FY2014, 16.79% in FY2015 and 20.5% in FY2016.

Its share price has more than tripled in the last three plus years, rising 239% from RM2.58

Scientex



on March 31, 2014, to RM8.74 on June 30, 2017, for an annualised return of 89%.

Scientex has also paid a dividend per share of more than 20 sen in the last four financial years. It declared a total dividend of 22 sen per share or a total of RM73.6 million for FY2016. This represents a payout ratio of 30.56%, highlighting Scientex's commitment to distribute at least 30% of its net profit to its shareholders.

The company also completed a one-for-one bonus issue on Aug 15, 2016, which resulted in an increase in its share capital to 460 million from 230 million.

In a June 21 report, Kenanga Research analyst Marie Vaz lowered Scientex's earnings forecast by 9%–4% to RM266 million–RM333 million in FY2017–FY2018. "We may have been slightly optimistic about the newer plants' capacity utilisation, which is lowered to 45%–65% in FY2017–FY2018 (from 55%–70%) while we also lower manufacturing margin estimates slightly as management is eyeing penetrative pricing strategy. Thus, core net margin is lowered to 9.5% (from 10%) in FY2017 while FY2018 margin is maintained at 10%," she says.

Scientex expects the expansion of its consumer packaging plant to be completed by the end of this year and will focus on ramping up capacity going forward. Meanwhile, its industrial packaging segment is concentrating on expanding in the US with contributions accretion mostly in FY2019.

"All in, we expect total capacity to increase to 304,000 tonnes–340,000 tonnes per annum in FY2017–FY2018, and sales tonnage to ramp up by about 16%–27% y-o-y as plant utilisation increases throughout FY2017–FY2018. We believe the group will allocate about RM260 million–RM140 million for capex in FY2017–FY2018, which we have accounted for in our estimates," Vaz says in the report. **E**

THEEDGE BILLION RINGGIT *Club*

GOLD



INDUSTRIAL PRODUCTS – Highest Growth in Profit After Tax Over Three Years
Scientex Bhd (Tan Sri Mohd Sheriff Mohd Kassim, chairman)



INDUSTRIAL PRODUCTS – Highest Return on Equity Over Three Years
Scientex Bhd (Koay Teik Chuan, executive director, Property Business)



Koay with his team from Scientex