

# AirAsia is The Edge's BRC Company of the Year

Westports chairman Gnanalingam is this year's Value Creator

BY CINDY YEAP &  
ADELA MEGAN WILLY

**KUALA LUMPUR:** Leading budget carrier AirAsia Bhd is the winner of the coveted The Edge Billion Ringgit Club (BRC) Company of the Year award, while Westports Holdings Bhd executive chairman Tan Sri G Gnanalingam has been named this year's Value Creator.

The awards were presented at a gala dinner here yesterday, where AirAsia was among 56 companies that scooped up a total of 81 company awards, recognising the performance of Malaysia's biggest listed companies in terms of highest profit growth, return on equity, and total shareholder returns (capital gains plus yield) over three years.

AirAsia co-founder and executive chairman Datuk Kamarudin Meranun received the award from The Edge Media Group publisher and chief executive officer (CEO) Ho Kay Tat, who presented the awards alongside OCBC Bank (Malaysia) Bhd CEO Datuk Ong Eng Bin, Mercedes-Benz Malaysia president and CEO Dr Claus Weidner, and Qatar Airways country manager for Malaysia and Brunei Datuk Muzammil Mohamad.

The year's outstanding CEO was presented with the Master Ultra Thin Perpetual pink-gold timepiece by Maxence Kinget, Jaeger-LeCoultre's managing director of Southeast Asia & Oceania, and Ho. Westports CEO Ruben Gnanalingam received the award on his father's behalf.

This year, two special BRC awards were also given. The first went to Malayan Banking Bhd (Maybank), for being the first Bursa Malaysia-listed company to reach RM100 billion market capitalisation. Maybank was also presented with two business class return tickets to New York, courtesy of Qatar Airways.

The second special award went to Astro Malaysia Holdings Bhd, for the public service done by its production of the 2016 movie *Ola Bola*. Last year, Nestle (Malaysia) Bhd was named Company of the Year, trailing Tenaga Nasional Bhd (TNB) which received the award in 2015. Dutch Lady Milk Industries Bhd was the award recipient in 2014. Prior to that, it was DiGi.Com Bhd (2013), Genting Bhd (2012), QL Resources Bhd (2011) and Supermax Corp Bhd (2010).

There are 184 The Edge BRC members this year, eight more than last year, and just one less than the all-time high membership in



Maybank group president and CEO Datuk Abdul Farid Alias (second from left) holding the mock-up of the business class return tickets to New York, Ong (first from left), Muzammil (third from left) and Ho at The Edge BRC awards ceremony yesterday. Photo by Shahri Yalya

2011. To qualify as a member of The Edge BRC, the Bursa Malaysia-listed company must have at least RM1 billion market capitalisation as at March 31, 2017. The awards are in its eighth instalment this year.

"These 184 companies had a combined market cap of RM1.59 trillion as at March 31, a touch more than RM1.51 trillion in 2016. The RM1.59 trillion constituted 90.3% of the total market cap of Bursa at that point. It must be noted that since the March 31 cut-off, the combined market cap of these 184 companies had increased to RM1.61 trillion as at June 30," Ho said in his welcome address.

Apart from celebrating excellence, Ho notes that The Edge launched the awards to inspire more companies to aspire to be a billion ringgit company.

"BRC members made a collective pre-tax profit of RM112.5 billion in financial year 2016 (FY16) compared with RM115.3 billion in FY15. Collective net profit was RM81.6 billion in FY16 compared with RM85.4 billion in FY15. FY16 profits were weighed lower by sizeable losses at several oil and gas and industrial/services companies.

"BRC members continue to be major taxpayers, paying an estimated RM30.9 billion in taxes for FY16 compared with RM29.8 billion for FY15 and RM30.7 billion for FY14. The taxes paid for FY16 were about 27% of the 'more than RM114 billion' direct taxes the Inland Revenue Board reportedly collected in 2016," Ho added.

Besides financial performance, The Edge BRC awards also recognise corporate responsibility (CR) contributions.

TNB won the Best CR Initiatives award for Super Big Cap companies with a market capitalisation of over RM40 billion. Telekom Malaysia

Bhd came in top for the Best CR Initiatives for Big Cap Companies with a market capitalisation of RM10 billion to RM40 billion, while Allianz Malaysia Bhd bagged the Best CR Initiatives award for companies with a market capitalisation below RM10 billion.

"We believe CR initiatives are important as corporate Malaysia's contribution to help nurture a more inclusive society. Profits should be shared with the less fortunate. "The success of BRC as the benchmark awards for corporate Malaysia would not be possible without the support of our partners," Ho added.

OCBC's Ong said the better performance in environment, sustainability and governance (ESG) among these large companies bodes well for corporate Malaysia.

"Our heartfelt congratulations to this year's BRC winners for outstanding themselves, most notably through the uptrend in ESG. As movers and shakers of the business world, they are the ones who set the tone, pace and the agenda for the future. And I am pleased to acknowledge that the right notes are indeed being sounded in an increasingly consistent manner. We must keep the momentum going so view this as nothing less than the norm," Ong said.

OCBC Bank (Malaysia) Bhd is the main sponsor of The Edge BRC for the eighth consecutive year. Other partners for The Edge BRC are Jaeger-LeCoultre (supporting sponsor), Mercedes-Benz (official car partner) and Qatar Airways (official airline partner).

Details on The Edge BRC members and award winners will be published in a special supplement in the Aug 28 issue of The Edge Malaysia weekly, out this Saturday.

WINNERS OF THE EDGE BILLION RINGGIT  
CLUB CORPORATE AWARDS 2017

## VALUE CREATOR

MALAYSIA'S OUTSTANDING CEO  
Tan Sri G Gnanalingam  
Chairman of Westports Holdings Bhd

## COMPANY OF THE YEAR

AirAsia Bhd

## 1ST COMPANY TO BREACH RM100B MARKET CAPITALISATION

Malayan Banking Bhd

## SUPER BIG CAP COMPANIES

COMPANIES WITH MORE  
THAN RM40 BILLION MARKET  
CAPITALISATION

Highest return on equity over  
three years  
Maxis Bhd — Gold  
Public Bank Bhd — Silver

## BIG CAP COMPANIES

COMPANIES WITH RM10 BILLION  
TO RM40 BILLION MARKET  
CAPITALISATION

Highest return on equity over  
three years  
DiGi.Com Bhd — Gold  
Astro Malaysia Holdings Bhd  
— Silver

Highest growth in profit after tax  
over three years  
Tenaga Nasional Bhd — Gold  
Public Bank Bhd — Silver

Highest returns to shareholders

IHH Healthcare Bhd — Gold  
Tenaga Nasional Bhd — Silver

Highest growth in profit after tax  
over three years  
AirAsia Bhd — Gold  
Hap Seng Consolidated Bhd  
— Silver

Highest returns to shareholders  
over three years  
Hap Seng Consolidated Bhd  
— Gold  
Westports Holdings Bhd  
— Silver

## CONSTRUCTION SECTOR

Highest return on equity over  
three years

Gamuda Bhd — Gold  
Muhibbah Engineering (M) Bhd  
— Silver

Highest returns to shareholders  
over three years

Kawan Food Bhd — Gold  
Hong Leong Industries Bhd  
— Silver  
Padini Holdings Bhd — Silver

Highest growth in profit after tax  
over three years

JIM Corp Bhd — Gold  
Ekovest Bhd — Silver

## FINANCE SECTOR

(BELOW RM10 BILLION  
MARKET CAP)

Highest return on equity over  
three years  
AEON Credit Service (M) Bhd  
— Gold  
Syarikat Takaful Malaysia Bhd  
— Silver  
Bursa Malaysia Bhd — Silver

Highest returns to shareholders  
over three years  
Kerjaya Prospek Group Bhd  
— Gold  
Ekovest Bhd — Silver

## CONSUMER PRODUCTS SECTOR

Highest return on equity over  
three years

Nestle (Malaysia) Bhd — Gold  
Dutch Lady Milk Industries  
Bhd — Silver

Highest growth in profit after tax  
over three years

LPI Capital Bhd — Gold  
BIMB Holdings Bhd — Silver

Highest returns to shareholders  
over three years  
Syarikat Takaful Malaysia Bhd  
— Gold  
LPI Capital Bhd — Silver

Highest growth in profit after tax  
over three years

Parasonic Manufacturing  
Malaysia Bhd — Gold  
Hong Leong Industries Bhd  
— Gold  
QL Resources Bhd — Silver

## FINANCE SECTOR

(RM10 BILLION AND ABOVE  
MARKET CAP)

Highest return on equity over  
three years  
Public Bank Bhd — Gold

Hong Leong Bank Bhd — Silver

Highest growth in profit after tax over three years  
Public Bank Bhd — Gold  
Malayan Banking Bhd — Silver

Highest returns to shareholders over three years  
Hong Leong Bank Bhd — Gold  
Malayan Banking Bhd — Silver

#### INDUSTRIAL PRODUCTS SECTOR

Highest return on equity over three years

Scientex Bhd — Gold  
Petronas Gas Bhd — Silver  
Harialaga Holdings Bhd — Silver

Highest growth in profit after tax over three years  
Sciemex Bhd — Gold  
Top Glove Corp Bhd — Silver

Highest returns to shareholders over three years  
VS Industry Bhd — Gold  
Press Metal Aluminium Holdings Bhd — Silver

#### PLANTATIONS SECTOR

Highest return on equity over three years  
Kuala Lumpur Kepong Bhd — Gold  
IOI Corp Bhd — Silver

Highest growth in profit after tax over three years  
Batu Kawan Bhd — Gold  
Genting Plantations Bhd — Silver

Highest returns to shareholders over three years  
Kim Loong Resources Bhd — Gold  
Far East Holdings Bhd — Silver

#### PROPERTY SECTOR

(Below RM3 billion market cap)  
Highest return on equity over three years  
Matrix Concepts Holdings Bhd — Gold  
KSL Holdings Bhd — Silver

Highest growth in profit after tax over three years  
KSL Holdings Bhd — Gold  
MKH Bhd — Silver

Highest returns to shareholders over three years  
Sunsuria Bhd — Gold  
Matrix Concepts Holdings Bhd — Silver

#### PROPERTY SECTOR

(RM3 billion and above market cap)  
Highest return on equity over three years

UOA Development Bhd — Gold  
IGB Corp Bhd — Gold  
Mah Sing Group Bhd — Silver  
Sunway Bhd — Silver

Highest growth in profit after tax over three years  
UOA Development Bhd — Gold  
IGB Corp Bhd — Gold  
S P Setia Bhd — Silver  
Mah Sing Bhd — Silver

Highest returns to shareholders over three years  
Sunway Bhd — Gold  
UOA Development Bhd — Silver

#### REIT SECTOR

Highest return on equity over three years  
KLCCP Stapled Group — Gold  
IGB REIT — Silver

Highest growth in profit after tax over three years  
IGB REIT — Gold  
Sunway REIT — Silver

Highest returns to shareholders over three years  
IGB REIT — Gold  
YTL Hospitality REIT — Silver

#### TRADING/SERVICES, HOTELS, IPC AND TECHNOLOGY SECTORS

Highest return on equity over three years  
DiGi.Com Bhd — Gold  
Astro Malaysia Holdings Bhd — Silver

Highest growth in profit after tax over three years  
AirAsia Bhd — Gold  
MMC Corp Bhd — Silver

Highest returns to shareholders over three years  
George Kent (Malaysia) Bhd — Gold  
VITrox Corp Bhd — Gold  
MYEG Services Bhd — Silver

#### BEST CR INITIATIVES

Super big cap —  
above RM40 bil market cap  
First Place  
Tenaga Nasional Bhd

Big cap — RM10 bil to RM40 bil market cap  
First Place  
Telekom Malaysia Bhd  
Below RM10 bil market cap  
First Place  
Allianz Malaysia Bhd

**SPECIAL AWARD FOR PUBLIC SERVICE**  
Astro Malaysia Holdings Bhd

# Malakoff warns of lower FY17 earnings as 2Q net profit falls

It says it will continue to secure power-sector growth opportunities

BY SURIN MURUGIAH

KUALA LUMPUR: Malakoff Corp Bhd's net profit for the second quarter ended June 30, 2017 (2QFY17) fell 20% to RM103.27 million from RM129.63 million a year earlier, due mainly to lower contribution from Tanjung Bin Energy's power plant.

The previous year's corresponding period also booked an insurance claim on rotor replacement, its Bursa Malaysia filing yesterday showed. These, it said, were partly offset by higher contribution from its associates and lower maintenance costs during the quarter.

The lower earnings came in despite a 14% rise in revenue

for the quarter to RM1.73 billion from RM1.53 billion a year earlier, driven by a higher applicable coal price and higher capacity factor registered by Tanjung Bin Power's power plant.

Thus, earnings per share retreated to 2.07 sen from 2.59 sen. Malakoff declared an interim dividend of 2.5 sen per share in respect of FY17, to be paid on Oct 6.

For the six months ended June 30 (1HFY17), its net profit slipped 5% to RM202.05 million from RM213.73 million — though revenue improved 22% to RM3.52 billion from RM2.87 billion — which it blamed on lower contribution from Tanjung Bin Energy's power plant and the same insurance claim

booked in 1HFY16.

Malakoff expects the rest of FY17 to be affected by lower capacity payment under the newly revised Segari Energy Ventures Sdn Bhd's power purchase agreement, which commenced on July 1 — but did not detail why.

Meanwhile, it said it will continue to secure growth opportunities in the power sector, and broaden its earnings base in complementary business sectors.

The group is also focusing on enhancing efficiencies throughout its operations and so expects FY17 to remain positive, it said. Malakoff shares closed one sen or 1% higher at RM1.02, giving it a market capitalisation of RM5.1 billion. Year to date, the stock has retreated about 26%.

## RHB Bank, AMMB seek trading halt pending announcement

BY SULHI AZMAN

KUALA LUMPUR: RHB Bank Bhd and AMMB Holdings Bhd have requested a suspension of trading in their securities today, pending a material announcement regarding a proposed merger.

In a filing with Bursa Malaysia yesterday, AMMB said this is in relation to an announcement made on June 1 in which it received an approval from Bank Negara Malay-

sia to commence negotiations with RHB Bank for a possible merger of their businesses and undertakings.

The approval is valid until Nov 30. "The company has requested for a suspension of the trading of its securities from 9am to 5pm [today]. Bursa Securities has on even date approved the request," it added.

In a separate filing, RHB Bank said as such, all its structured warrants will also be suspended at the same time.

The two lenders have until the end of August to discuss the merger deal on an exclusive basis. If the merger happens, it will create the fourth-largest bank by assets in the country.

RHB Bank shares closed seven sen or 1.41% lower at RM4.88 yesterday, with a market capitalisation of RM19.57 billion. AMMB shares, meanwhile, were unchanged at RM4.70, valuing it at RM14.17 billion.

## Dealer fined, suspended 10 months for manipulative trading

BY ADAM AZIZ

KUALA LUMPUR: JF Apex Securities Bhd dealer Wong Wing Haur was slapped with a RM60,000 fine and suspended from Bursa Malaysia Securities for 10 months for manipulative trading activities in six counters on Bursa Malaysia.

The counters include Asdon Bhd, Ire-Tex Corp Bhd, MQ Technology Bhd, as well as Nexgram Holdings Bhd together with two counters for Nexgram's warrant A and warrant C, said Bursa in a statement yesterday.

On top of the public reprimand

by Bursa Malaysia, Wong was also required to undergo training on conduct or professionalism of dealer's representatives, it added.

Wong was found to have manipulated trading activities in these counters via the trading accounts of four of his clients, in order to drive up or maintain share prices as well as to generate false trading volume.

Bursa Malaysia said Wong also failed to make a proper assessment and continued to facilitate the clients' manipulative trading activities over a period of time, acting as a mere order taker "which was not

an acceptable conduct of a responsible registered person."

"These manipulative trading activities had given rise to the creation of a false or misleading appearance of active trading in respect of the market for the price of the securities of the relevant counters," said Bursa.

"Bursa Malaysia Securities places strong emphasis on the need to maintain a fair and orderly market and will not tolerate any acts or practices which could lead to false trading, manipulative activities or compromise the integrity of the market," it added.