

DATE : 12 MAY 2018
PUBLICATION : FOCUS MALAYSIA
SECTION : LEAD
HEADLINE : DRIVING THEIR COMPANIES FORWARD
CATEGORY : MENTION
MEASUREMENT : 199.5CM²
TO NE : NEUTRAL
REMARKS : NIL



Driving their companies forward

LOOKING for rising stars on Bursa Malaysia is not easy. Firstly, you have to sieve through heaps of information relating to their financial performance, potential earnings as well as various other industry factors.

Secondly, companies short-listed as potential stars can experience a sudden decline in profit or share price, affecting their "star" status.

Companies are driven to success not just by good corporate performance. Their growth can also be attributed to strong leadership and the charisma of those who lead them, mainly their founders or controlling shareholders.

In this issue, we have selected eight businessmen who we see as rising stars driving their companies to greater heights. Three of them are in the oil & gas sector, two in property and one each in glove manufacturing, poultry, logistics and services.

But as much as they are successful, their companies are susceptible to shifts in the marketplace, economy, and national and global developments. For example, we saw many counters rising or falling in the run-up to the recent 14th general election (GE14).

According to Dr Yeah Kim

- **Dialog** is the largest company in the list in terms of market capitalisation
- **Oldest** in the list is Tan Sri Ngau Boon Keat of Dialog Group while the youngest is Wong Thean Soon of My E.G. Services



by **Prathab V and Stephanie Jacob**

Leng, economics professor at Sunway University Business School, trading volume usually decreases during the election season while volatility increases. This explains why the Bursa Malaysia FBM KLCI had fallen over 60 points in the three weeks leading to GE14.

"Political risks tend to ratchet up during elections, particularly in closely-fought contests, where

fears and uncertainties over a change in government sideline many retail and institutional investors," says Yeah. "We therefore see lower trading volumes and increased volatility during this period as investors take a wait-and-see stance. Being a relatively small and open market, the performance of Malaysia's equity market is driven by foreign liquidity and also movements in the advanced stock markets," adds Yeah, who is also a member of Bank Negara's Monetary Policy Committee.

Additionally, under a challenging global business environment, investors tend to be skittish.

"Besides domestic factors, the stock market is affected by shifts in asset allocations by international funds especially in their exposure to emerging markets relative to their home markets. During this period, it is not surprising for the stock market to have pronounced up and down movements as investors tend to be skittish and highly reactive," Yeah explains.

Charisma plays a part

Since the individuals in our star-picks list are not ranked in any particular order, we list them alphabetically. The average age of

the individuals is 58, with the oldest being Dialog group Bhd's executive chairman, Tan Sri Ngau Boon Keat, 69, and the youngest, My E.G. Services Bhd's managing director Wong Thean Soon, 46.

First is Serba Dinamik Holdings Bhd's group MD and CEO, Datuk Mohd Abdul Karim Abdullah. Serba Dinamik has become a darling of investors since its listing on Bursa Malaysia on Feb 8, 2017. Although a relatively new player in the oil & gas sector, the company has done extremely well with its share price having risen almost 9% since January to close at RM3.44 on 8 May, compared to its IPO opening price of RM1.53.

Investors who did not buy its shares earlier, would now be ruing big time for not being able to cash in. The counter is a star on Bursa Malaysia. Abdul Karim himself is one to watch closely for his many deals and corporate acquisitions.

Next is Wah Seong Corp Bhd's managing director/group CEO Chan Cheu Leong. Chan set up Wah Seong in 1994 when he was 41 years old. Since then the oil & gas company, which specialises in the coating of oil pipelines, has grown to offer power generation, oleo-chemical business and building and operating offshore/onshore oil field development facilities. Chan has an effective 3.7% interest in Wah Seong and is the driving force of the company.

Then there is QL Resources Bhd's group MD, Chia Song Kun, who at 67 is second oldest on the list. Other than its domestic operations, QL Resources operates in Indonesia, Vietnam, China and Singapore. The company is mainly active in three segments – livestock farming, marine product manufacturing and palm oil/biomass sector.

Under Chan, QL has grown by leaps and bounds in recent times. Since September last year it was trading at RM3.79 but under Chan, the counter is now trading at RM5.35 with a market capitalisation close to RM8.4 bil.

Let's also not forget Gabungan AQRS Bhd's Datuk Azizan Jaafar, who leads the property development and construction firm as its group CEO. He controls Gabungan AQRS through Ganjaran Gembira Sdn Bhd, which has a 21.5% stake in the former.

Since Azizan's redesignation as group CEO on Jan 1, 2017, the company's share price has risen from 91 sen to a high of RM2.10 on Jan 8 this year, a growth of over 130%. Clearly, Azizan is a man to watch on Bursa. Gabungan AQRS

other large shareholder is its group deputy CEO Paul Ow Chee Cheon with a 13.6% stake.

Low-profile logistics player Datuk Seri Ho Kam Choy, at 54, leads Straits Inter Logistics Bhd (SILB) as its managing director. SILB, formerly known as Raya International Bhd, is now involved in the trading of oil and bunkering services. It is also engaged in the water filtration and beauty/healthcare segments.

Top Glove Corp Bhd's executive chairman, Tan Sri Lim Wee Chai, is one of the main stars on our list. The company is said to be the world's largest glove manufacturer. Under Lim, Top Glove is currently on track to become the world's largest surgical gloves producer with the acquisition of Aspion Sdn Bhd for RM1.37 bil. Top Glove currently controls a 25% share of the local rubber gloves market.

Under Lim, Top Glove has grown to be a RM12 bil company with its share price rising phenomenally to its historical high of RM10.20 on 19 April. Lim also holds 12.7% of listed property development company, Tropicana Corp Bhd.

Dialog Group Bhd is the largest company on this list in terms of market capitalisation. Led by its executive chairman Tan Sri Ngau Boon Keat, it is a significant player in the local oil & gas sector.

Dialog is involved mainly in the upstream, downstream and retail sectors of the petroleum industry. Like Top Glove, Dialog's share price is also trading at its historical high and certainly is a counter to watch, especially with the current recovery of global oil prices.

Last, but not least, is My E.G. Services Bhd's managing director Wong Thean Soon, a well-known tech entrepreneur. Wong leads the company through his 11.7% effective stake. The rise of My E.G. is mostly attributable to Wong's hard work and business connections, through which he has implemented various e-government services such as the issuance and renewal of motor vehicle licences, electronic bill payment, online payment of traffic summonses, renewal of foreign workers permits and other services.

Under Wong's leadership, My E.G.'s share price has grown to hit its historical high of RM2.90 on 30 March this year. The company's market capitalisation also rose RM9.3 bil. Under Wong's watch, the company's phenomenal growth makes him one of the leading stars to watch on Bursa Malaysia. **FocusM**