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Celebrating the top listed companies in Singapore

BY LOH BOON CHYE

ALBERT CHUA/THE EDGE SINGAPORE

SGX Group is gradually transforming Singapore's stock market with support from public and private stakeholders, says SGX CEO Loh

Now in its seventh year, *The Edge Singapore's* Billion Dollar Club (BDC) awards prove the many successful companies listed on the Singapore Exchange (SGX) that generate returns and value for their shareholders year after year.

2023 has been challenging and uncertain for many businesses and investors as the world grapples with the lingering effects of the pandemic, geopolitical tensions, inflationary pressures and interest rate hikes. The past year has probably been one of the most volatile in recent history regarding global interest rate rises and inflation.

Despite these headwinds, the winners of the BDC and Centurion Club awards have demonstrated their ability to overcome obstacles and achieve robust performance, even in times of economic uncertainty. They have exemplified agility, innovation and adaptability in navigating the changing business environment, delivering commendable returns to their shareholders.

I am pleased to acknowledge all the award winners, many of whom are no strangers to the awards. This year, leading specialist watch retailer The Hour Glass Group, has emerged as the Overall Winner of the BDC, buoyed by the robust interest in luxury mechanical watches amid supply side constraints. Earlier this year, the homegrown company announced that its revenue had exceeded the $1 billion mark for the second year running.

The other Overall Sector Winners for the BDC have similarly excelled in their respective fields: DBS Group Holdings, Frasers Logistics & Commercial Trust, Golden Agri-Resources, GuocoLand, Hutchison Port Holdings Trust, Raffles Medical Group, Sembcorp Industries, Venture Corporation, Wilmar International, and Yangzijiang Shipbuilding.

We are also delighted to see AEM Holdings, a global leader in test innovation, clinch the Centurion Club Overall Winner accolade amid a challenging year for the semiconductor industry. AEM has been one of the top most traded companies on SGX by turnover this year.

Our heartiest congratulations too to the other Overall Sector Winners of the Centurion Club for their well-deserved wins: BRC Asia, Civmec, Cortina Holdings, PropNex, Riverstone Holdings, Samudera Shipping Line, Sasseur REIT, Sing Investments & Finance and The Straits Trading Company. The high rankings of companies across diversified sectors testify that it is possible to innovate and thrive, even as different sectors face varying challenges and opportunities across economic cycles.

Driving mutual success

Notwithstanding the challenging macroenvironment which has weighed down worldwide stock markets, the Singapore stock market has remained relatively resilient over the years.

This reflects the quality and diversity of our listed companies, underpinned by robust governance frameworks, which have built up SGX Group's reputation as a flight-to-quality and flight-to-safety venue.

While macro factors like the tightening of monetary policies by major central banks have put a brake on global debt and equity fundraising activity, our position as a neutral international platform for companies and investors seeking long-term sustainable growth holds strong.

We continue to see growing interest from issuers and international investors, who value our stability, reliability and efficiency – these are key strengths that will position us well when market sentiments improve and as capital gravitates towards Asia.

The substantial increase in scores in the 2023 Singapore Governance and Transparency Index (SGTI) indicates the commitment of SGX-listed companies and trusts to greater governance and accountability.

We believe this will be an edge for SGX-listed companies as they seek to enhance shareholder value and attract capital for growth.

The success of the Singapore stock market is closely linked to the success of our listed companies. Investors today do not just look at financial numbers and what businesses do but how they do it: Communicating transparently, building a strong culture of good governance, and investing in sustainability and human capital are some factors that drive investment decisions.

The way forward

SGX Group is working towards a gradual transformation of Singapore's stock market, with the support of the ecosystem involving both public and private sector stakeholders. It is vital for the community to work together to build a vibrant investment ecosystem that fosters confidence and liquidity, as well as draws a diverse pool of issuers and investors.

Our programmes for market makers and liquidity providers help to create a more active and efficient market. Our research and education efforts have expanded alongside MAS' GEMS Research Talent Development Grant Scheme.

At the same time, we continually introduce new products and services that offer investors more choices and opportunities. Some of these include:

- Sector- and geography-focused exchange-traded funds (ETFs) for portfolio diversification, including our landmark climate action ETF managed by Blackrock and anchored by Prudential, the largest equity ETF launched in Singapore to date
- Enhanced connectivity through ETF links with exchanges such as Shenzhen Stock Exchange and Shanghai Stock Exchange
- Singapore Depository Receipts under the Thailand-Singapore Depository Receipt Linkage to provide investors with more efficient access to regional markets
- Structured Certificates to meet the rising sophistication in investor needs

With the shift in investor preferences towards companies prioritising sustainability efforts, we are ramping up our efforts to support our ecosystem through ESG disclosures, data and capacity building. While disclosure through sustainability reporting is critical, what will set companies apart are their efforts to communicate a credible climate transition plan.

Transition plans

Sustainability journeys are not easy, but starting somewhere and improving as we go along is essential. Transition plans will become increasingly important for a company's success as governments, companies, consumers, and shareholders prioritise climate action.

According to a report by *Forbes*, Singapore is one of the most future-ready economies in the world, with a high level of innovation, competitiveness and resilience.

We are confident that our listed companies likewise have what it takes to succeed in the future as they focus their efforts in the right areas.

As an exchange, our success cannot be achieved alone. We stand on the shoulders of our ecosystem partners, including issuers, investors, intermediaries, regulators, industry associations, media and academia, whose support and collaboration have been instrumental in building a robust and sustainable marketplace. We look forward to the continued advancement of the marketplace. E

Loh Boon Chye is CEO of SGX Group, Supporting Partner of the BDC

CIMB Singapore well poised to capture new growth as regional economies recover

ALBERT CHUA/THE EDGE SINGAPORE

Under the leadership of CEO Victor Lee, CIMB Singapore seeks to strengthen its workforce. It is already in the process of doubling the sales force in retail and commercial segments

When corporate and retail banking stalwart Victor Lee was appointed CEO of CIMB Singapore in January of 2020 to replace outgoing Mak Lye Mun, the country was just beginning to face the harrowing Covid-19 pandemic. In an interview with *The Edge Singapore*, Lee recounts the days where the bank had to swiftly rethink its strategies just after launching a five-year growth accelerating plan the previous year.

In 2019, Malaysia-headquarter CIMB Group embarked on the plan dubbed "Forward23". This follows the success of its previous four-year strategic plan "Target 2018" on the back of strong, cohesive group-wide execution.

Forward23 sets out more ambitious targets, with the group aiming to achieve return of equity of more than 12%, a Common Equity Tier 1 (CET1) ratio of over 13% and a cost-to-income ratio of below 45%, aside from non-financial targets relating to customer experience, sustainability goals and ratio of digitally skilled staff. But when Covid-19 hit, it was clear that the group may face big hurdles in achieving its targets. For Lee and his team in Singapore, it meant having to determine which segments to focus on and which ones to defer.

To navigate the difficult operating landscape, Lee uses military terms "tahan" (resist), "semula" (again) and "cepat jalan" (quick march) as a mantra. He explains that this means the bank has to resist the challenges faced and play up on its strengths; recalibrate its strategy; and quickly position itself to capture opportunities in the post-pandemic recovery.

In the "tahan" stage, for example, the bank not only had to manage its own business headwinds, it also did its part in reassuring its SME customers that their operations can be sustained. This is done via efficiently deploying government grants and support schemes for businesses with the help of digital tools such as the EVA Chatbot, says Lee. This helps its customers easily apply for the schemes while simultaneously relieving the bank's staff from the application influx.

The bank also introduced a temporary bridging loan, CIMB BizAssist, to help the SMEs address their working capital needs, which Lee says is widely successful and significantly contributed to its revenue. In fact, the revenue contribution from its SME products and services have more than tripled over the last two years, he adds.

Recalibration plan

In 2020, the bank also had to re-engineer its business, entering the "semula" stage. Lee notes that at the time, the five-year growth acceleration plan was already underway — however, due to dampened business sentiment, the banking group decided to add one more year to the goal, becoming Forward23+. This means that the plan will be complete next year instead of the initially planned 2023, he clarifies.

As part of its recalibration plan, CIMB Singapore has decided to focus more on digitalisation, which Lee acknowledges cannot be done overnight. It took the bank 1½ years to "rewire" its systems and enhance its digital capabilities, which seems to have borne fruit — the bank's number of accounts opened this year is five times that of last year.

"And this is not because we opened more branches; in fact, we closed one branch and now only have one branch at our headquarters in CIMB Plaza. It was instead driven by our seamless digital onboarding processes," says Lee.

Most of these new customers are part of the 1.13 million Malaysians residing in Singapore looking to open an account with a familiar bank. These customers can also open an account with CIMB Malaysia at the Singapore branch, Lee adds. He says the bank sees significant remittance contribution as well as synergies within the group as the group's Malaysia team can help the customers manage their wealth back home.

As businesses started ramping up again, the company entered its "cepat jalan" phase, moving quickly to amplify its products and services to gain market share. Lee says there is no secret formula to this, adding that it goes back to the basics of banking which is to keep it fast, free and simple.

"Unlike other banks, we don't make our customers jump through hoops. There are no special requirements that customers have to qualify for in order to enjoy certain benefits. For instance, customers who open a FastSaver account get attractive interest rates from the first dollar — no triple somersault required," he adds.

For its SME clients, CIMB Singapore notes that these enterprises are the country's largest employers. Therefore, the bank has wrapped its propositions around SMEs and their employees, supporting them as they grow bigger to become one of its corporate banking customers.

Being different

As an Asean player, CIMB's corporate banking customers consist mainly of Southeast Asian conglomerates. As the fifth largest bank in Southeast Asia, CIMB is also Indonesia's largest foreign-owned bank with about 500 branches across the country.

This, coupled with Singapore's status as a financial hub, means that the bank is able to service many Indonesian conglomerates and high-net-worth individuals (HNWIs), says Lee. He adds that there are also large segments of opportunities for the bank to tap conglomerates and build relationships with HNWIs across other neighbouring countries, such as Malaysia and Thailand.

That said, Lee acknowledges that CIMB Singapore's private banking business is relatively small. The bank has repositioned its private banking services to be within its wholesale banking umbrella, being a lending-led private bank to the region's rising entrepreneurs.

"We want to be different — the private banking space can be very cut-throat and the competition is intense in Singapore. Instead of competing with the global players that have set up shop here, we want to work together with the entrepreneurs and help them build up their legacy. Therefore, the private banking team works very closely with the commercial and corporate banking teams, giving them opportunities to cross-sell," says Lee.

Moving forward, CIMB Singapore is working towards increasing its contribution to the group, says Lee. In its FY2022, the bank's Singapore business recorded a 31.5% y-o-y increase in profit before tax to RM756 million ($216.6 million), predominantly on strong operating income and asset recoveries.

Its topline growth was attributed to the 6.5% y-o-y gross loan growth, coupled with a solid net interest margin expansion with non-interest income expanding from the growth of its consumer franchise. Its deposits rose 35.3% y-o-y, contributed by all segments despite a drop in CASA (current account savings account), bringing down its CASA ratio to 44.6% from 62.5% in 2021.

In order to help drive its growth, the bank seeks to strengthen its workforce, and is already in the process of doubling the sales force in retail and SME segments. Early next year, CIMB Singapore is also looking to announce partnerships to further reinforce its digital offerings, building up on its digitalisation effort over the past few years. The prospective partners are likely to be those with existing customer ecosystems, such as insurance or technology providers.

"On the group level, we are starting to discuss our next five-year plan," says Lee. E

SAMUEL ISAAC CHUA/THE EDGE SINGAPORE

Tong: If the various stakeholders of our market ecosystem can work together more closely, there's a better chance that the investing public, whom we all ultimately serve, will be for the better

Celebrating the titans: Recognising excellence amid market volatility

Distinguished guests, ladies and gentlemen, good evening and welcome to a night of celebration.

Brokers sell stocks, that we all know; that's what they do. But, in recent months, with interest rates staying higher for longer, I have been receiving WhatsApp messages from brokers trying to get me to subscribe to T-bills through them.

This is a sign of the rather listless state of the market, as investors' appetite for risks shrunk. At the risk of sounding like a doomsday prophet — high inflation, geopolitical tension and low global growth have reduced our collective risk appetite.

They prefer a fixed return of 3 + %, instead of the potential capital gain and dividend payout they can enjoy investing in a solid counter.

However, tonight, we celebrate and honour the winners of the Billion Dollar Club, and the Centurion Club — the leading performers of our stock market, and their respective sectors.

One thing I can say for sure, the winners tonight are companies that have given better returns than T-bills.

To recap, the Billion Dollar Club honours companies listed on the Singapore Exchange, with a market cap of $1 billion and above.

We go by various industry sectors, and rate them according to three key criteria:

- returns to shareholders,
- growth in profit after tax, and
- return on equity (ROE) over the three preceding years.

The Centurion Club, meanwhile, cheers on those with a market value of at least $100 million towards the $1 billion mark.

In the past years, we have had Centurion Club winners getting "promoted" to the BDC. Such is the excitement of picking a winner. However, the opposite has happened before as well.

You might have heard this many times before, but we need to face up to a bigger issue than just maximising profits.

To do our part, we have included a sustainability component into the BDC scoring.

And we are going to honour companies that have shown that their focus on ESG is not just because it is the flavour of the month, but a pertinent concern.

Since *The Edge Singapore* started in 2002, we have been diligently covering and analysing listed companies here in Singapore.

Our team is always on the ground, checking out the latest trends, pondering which are the sectors and companies that can do well, so that our readers can make better informed decisions.

Over the years, we have seen the rise — and fall — and rise again of entire industry sectors. Never a dull day in the newsroom.

Our team had in-depth interviews with small IPO-aspirants trying to convince investors they deserve their money. They have been given access to leading corporate honchos, where these top CEOs share in detail how they lead these multi-billion giants. These giant companies don't happen overnight. Decades of hard work, skill and, perhaps, some luck are needed.

After a brief hiatus, the number of IPOs on the SGX is picking up as we head to the year-end. Among the significant developments is SGX's first spac [special purpose acquisition company], VTAC, which is planning a business combination with a live-streaming company 17-LIVE, with a target valuation of $1 billion.

I trust such companies will bring additional variety and flavour to our local bourse. More importantly, we have a steady pipeline of interesting new companies constantly coming on the market, giving the investing public more choices.

Unfortunately, a lot of news flow in the past few years had covered privatisations and delistings, followed inevitably by minority shareholders grumbling they have been low-balled.

Some recently delisted companies possessed significant underlying worth and were efficiently managed.

Unfortunately, they did not receive the due recognition from the market despite years of improving performance in the market. It takes two hands to clap, but it will take many more hands to come together to give a well-deserving applause.

It is unfortunate that geopolitics is casting a dark pall that is making investing an especially tricky activity. But markets are cyclical, and we can all look forward to a more buoyant market eventually.

Of course, not all companies are deserving of the support of investors. I trust the ones that do, outnumber those who don't.

If the various stakeholders of our market ecosystem can work together more closely, there's a better chance that the investing public, whom we all ultimately serve, will be for the better.

We hope our humble effort in organising this annual BDC awards is our way of doing so.

And of course, a big thank you to our sponsors.

Mercedes — The Best or Nothing — forget about the record COE prices for the time being.

And CIMB Bank Singapore — you can't find a stronger supporter of local enterprises with a regional growth ambition across Asean.

Our knowledge partners: EY — for partnering with us for many years. Besides the BDC, we have been an official media partner of EY's annual Entrepreneurship of the Year for years. Those who track these awards will recognise how many past EY winners have gone on to become SGX-listed companies.

Sustainalytics, a unit of Morningstar — without this dedicated team at Sustainalytics collecting and poring through the data, we won't be able to include the ESG component into the scores.

And last but not least, our exchange, SGX — for all the years of close working ties between our teams, and for playing the central and leading role of our markets ecosystem.

I wish you all a pleasant evening. E

BERNARD TONG
CEO of EdgeProp Singapore and *The Edge Singapore*

2023 Honours List

Billion Dollar Club

Top 10 winners

Rank	Company	Market Capitalisation as at 31 Mar 2023	Sector	RETURNS TO SHAREHOLDERS COMPONENT	PAT CAGR COMPONENT	ROE CAGR COMPONENT	ESG COMPONENT	COMPANY OF THE YEAR – Total Score
				25%	30%	25%	20%	100%
1	The Hour Glass	1,468	Retailers	23.28	23.68	20.54	11.83	79.33
2	Frasers Logistics & Commercial Trust	4,862	Real Estate	16.81	27.63	8.93	17.18	70.55
3	Raffles Medical Group	2,760	Healthcare Services	21.12	24.47	17.86	4.79	68.24
4	Golden Agri-Resources	3,614	Food & Beverages	21.98	26.84	17.41	1.97	68.21
5	Sheng Siong Group	2,541	Food & Drug Retailing	15.52	15.79	22.77	12.11	66.19
6	First Resources	2,464	Food & Beverages	12.07	28.42	20.98	3.94	65.42
7	Wilmar International	26,281	Food & Beverages	12.93	30.00	16.96	2.82	62.71
8	DBS Group Holdings	84,930	Banking & Investment Services	20.26	11.05	18.75	9.86	59.92
9	Hutchison Port Holdings Trust	2,221	Transportation	20.69	18.16	3.57	16.34	58.76
10	Tianjin Pharmaceutical Da Ren Tang Grp Corp	1,574	Pharmaceuticals	22.41	12.63	19.20	–	54.24

Centurion Club

Top 10 winners

Rank	Company	Market Capitalisation as at March 31	Sector	RETURNS TO SHARE-HOLDERS COMPONENT	PAT CAGR COMPONENT	ROE CAGR COMPONENT	COMPANY OF THE YEAR – Total Score
				30%	40%	30%	100%
1	AEM Holdings	984	Technology Equipment	27.52	40.00	28.76	96.28
2	PropNex	714	Real Estate	29.01	36.88	30.00	95.88
3	UMS Holdings	744	Technology Equipment	28.02	40.00	26.91	94.92
4	Cortina Holdings	621	Retailers	29.26	36.88	25.05	91.18
5	Samudera Shipping Line	678	Transportation	29.50	30.63	29.38	89.51
6	Straits Trading Co	961	Mineral Resources	21.82	37.50	25.36	84.68
7	Food Empire Holdings	544	Food & Beverages	25.54	33.13	22.58	81.24
8	BRC Asia	466	Cyclical Consumer Products	23.55	32.50	24.12	80.18
9	LHN	117	Real Estate	23.06	30.63	26.60	80.28
10	Bumitama Agri	980	Food & Beverages	15.37	40.00	24.74	80.11

Winners of *The Edge Singapore* Billion Dollar Club 2023

Sector	Number of Companies	Returns to Shareholders over three (3) years	Growth in PAT over three (3) years	Weighted ROE over three (3) years	Overall Sector Winner
Automobiles & Auto Parts + Transportation, Air Freight & Logistics Sector	8	Sri Trang Agro-Industry	Singapore Post	Jardine Cycle & Carriage	Hutchison Port Hlds Trust
Banking & Investment Services + Insurance + Fintech & Infrastructure	9	Ifast Corporation	DBS Group Holdings	ifast Corporation	DBS Group Holdings
Cyclical Consumer Services + Retailers	6	The Hour Glass	The Hour Glass	The Hour Glass	The Hour Glass
Energy – Fossil Fuels + Chemicals + Holding Companies + Utilities	4	Sembcorp Industries	No Winner	No Winner	Sembcorp Industries
Food & Beverages, Food Processing + Food & Drug Retailing Sector	8	Golden Agri-Resources	Wilmar International	Sheng Siong Group	Golden Agri-Resources
Healthcare Services, Medical Equipment, Supplies & Distribution + Pharmaceuticals + Biotechnology & Medical Research Sector	7	Tianjin Pharmaceutical Da Ren Tang Grp Corp	IHH Healthcare Berhad	Top Glove Corporation	Raffles Medical Group
Industrial Conglomerates + Industrial Goods, Shipbuilding Sector	5	Yangzijiang Shipbldg Hldgs	No Winner	Singapore Technologies Engineering	Yangzijiang Shipbldg Hldgs
Real Estate Companies	12	OUE	Wing Tai Holdings	Bukit Sembawang Estates	Guocoland
Real Estate Investment Trusts (REITs)	22	Cdl Hospitality Trusts	Frasers Logistics & Commercial Trust	Capitaland India Trust	Frasers Logistics & Commercial Trust
Technology Equipment + Telecommunications Services	4	Venture Corporation	Netlink NBN Trust	Starhub	Venture Corporation
Super Big Cap Companies (Top 10% Market Capitalisation)	9	DBS Group Holdings	Wilmar International	Thai Beverage	Wilmar International
Overall Winner				**The Hour Glass**	

Winners of *The Edge Singapore* Centurion Club 2023

Sector	Returns to Shareholders over three (3) years	Growth in PAT over three (3) years	Weighted ROE over three (3) years	Overall Sector Winner
Applied Resources + Chemicals + Energy – Fossil Fuels + Mineral Resources + Renewable Energy + Utilities	Malaysia Smelting Corp	Straits Trading Co	Fortress Minerals	Straits Trading Co
Automobiles & Auto Parts + Transportation	Samudera Shipping Line	Samudera Shipping Line	Samudera Shipping Line	Samudera Shipping Line
Banking & Investment Services + Collective Investments + Fintech & Infrastructure + Insurance	Sing Investments & Finance	Sing Investments & Finance	Silverlake Axis	Sing Investments & Finance
Cyclical Consumer Products + Cyclical Consumer Services	BRCAsia	Asian Pay Television Trust	Kimly	BRCAsia
Food & Beverages, Food Processing + Retailers Sector	Cortina Holdings	Bumitama Agri	Cortina Holdings	Cortina Holdings
Healthcare Services + Pharmaceuticals	Hyphens Pharma International	Riverstone Holdings	Riverstone Holdings	Riverstone Holdings
Industrial & Commercial Services + Industrial Goods	Sarine Technologies	Civmec	Micro-Mechanics (Holdings)	Civmec
Real Estate Companies	PropNex	PropNex	PropNex	PropNex
Real Estate Investment Trusts (REITs)	Sabana Indstrl Real Est Invt Trst	Ireit Global	Sasseur Real Estate Investment Trust	Sasseur Real Estate Investment Trust
Software & IT Services + Technology Equipment	Azeus Systems Holdings	UMS Holdings & AEM Holdings	AEM Holdings	AEM Holdings
Overall Winner			**AEM Holdings**	


ALBERT CHUA/THE EDGE SINGAPORE
External assurance is instrumental to the credibility of climate reports, and is expected to play a bigger role amid rising concerns over greenwashing and greenwishing

Climate reporting: Going from good to great

BY **KEN ONG**

The looming spectre of climate change has compelled businesses worldwide to reassess their environmental impact and embrace sustainable practices. Investors are increasingly expecting companies to report on climate impact in a considered and consistent way, and regulators are doing their part in pushing for greater transparency and commitment to climate disclosures.

Singapore is no exception, and climate reporting is increasingly under the spotlight, so is board and management accountability for it. The Singapore Exchange (SGX) has been proactive in mandating that listed companies include climate reporting in their sustainability reports on a "comply or explain" basis, starting from FY2022. Singapore joins a growing number of Asia Pacific jurisdictions that either already have in place or are slated to have in place in the coming years, mandatory climate reporting based on the Task Force on Climate-related Financial Disclosures (TCFD) for listed companies.

The imperative for consistency and comparability in climate reporting is also clearly growing. With the International Sustainability Standards Board having issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 and IFRS S2, in June, we expect these to be integrated into Singapore's reporting framework in the near future. IFRS S2 aligns with the recommendations of TCFD, which means that issuers that are already prepared for TCFD implementation will have a smoother transition to IFRS S2 reporting once it becomes mandatory in Singapore.

Underscoring the importance of climate reporting, Singapore regulators are also exploring the possibility of requiring all listed companies to report climate-related disclosures from FY2025, and large non-listed companies to do so from FY2027. It is therefore expected that climate disclosures will soon become widely adopted and increasingly fundamental to corporate reporting and ultimately, corporate governance and accountability of management and board.

Quality matters

Regulatory push is essential, but only as effective as the quality of compliance and observance of the spirit of the rule.

A recent report released by EY and CPA Australia, which studied the current state of climate reporting among Singapore's listed companies, revealed that while progress has been made on this front, there are still opportunities for improvement.

The report assessed the climate disclosures of 240 SGX-listed companies, based on the four pillars of the TCFD recommendations: governance, strategy, risk management, and metrics and targets. It found that 65% of the companies have started their climate-related disclosures in FY2022. Sectors where issuers are mandated for climate reporting in FY2023 have initiated climate disclosures in FY2022. The large-cap and mid-cap issuers tend to be leading the way in climate reporting.

However, many climate disclosures were found to be lacking in depth and breadth. As well, just 10% of companies in the study had sought external assurance on their climate reports. External assurance is instrumental to the credibility of climate reports and is expected to play a bigger role amid rising concerns over greenwashing and greenwishing. It can also help companies identify and address gaps in their climate reports, resulting in more robust disclosures and insights to support companies in their decarbonisation efforts.

Five actions for companies

There are five key actions that companies should take to better articulate their climate impact through reporting.

First, it is important that companies have the necessary data, systems and processes to comply with climate reporting requirements. This requires them to engage proactively with their internal stakeholders as climate efforts have broad implications across many parts of the business. Similarly, they should communicate regularly with external stakeholders to better understand the information desired and how to bridge the expectation gaps.

Second, companies should set specific metrics to measure and manage material climate risks and track their performance against meaningful quantitative targets. This facilitates transparent reporting and holds companies accountable to their sustainability pledges.

Third, companies need to enhance their ability to assess the financial impact of climate-related risks — and opportunities. This link between climate actions and financial outcomes is important, and reporting must serve to clarify the picture for stakeholders. When companies can pinpoint climate-related risks material to their operations based on their impact, they can prioritise and implement the necessary mitigation strategies.

Fourth, companies should employ scenario analysis to evaluate and quantify potential climate-related risks and opportunities under various hypothetical futures. Often, not enough is being done to contemplate the opportunities that climate change can bring to the company, or how climate-related risks can be turned into opportunities. In doing so, companies should challenge themselves to go beyond operational aspects like reduced resource consumption, and consider opportunities such as green products and financing so as to drive greater value for the business.

Lastly, the above would be futile if companies fail to integrate climate change considerations into their budgeting and strategic planning process. When budget discussions fall short of considering climate-related strategies, it makes the company's ability to execute its plans and commitment to change questionable.

Building resilience beyond compliance

Singapore-listed companies have made meaningful progress in their climate reporting efforts. As we move towards a reality marked by increasing climate disruptions to businesses, it is essential that companies invest time and effort to deliver transparent, robust and comprehensive climate reporting as a key component of their decarbonisation journey. By doing so, they will not just meet regulatory requirements, but will also chart a course to a more resilient, sustainable future. E

Ken Ong is assurance partner at Ernst & Young LLP

The views reflected in this article are the views of the author and do not necessarily reflect the views of the global EY organisation or its member firms

Communicating your ESG story: Five key lessons from top-performing companies

BY **CURTIS FILE**

BLOOMBERG

Being number one in Sustainalytics' assessment is a great way to start any investor meeting

Determining how to communicate about corporate environmental, social, and governance (ESG) performance can be challenging for executives and communications teams.

But it is increasingly unavoidable. To earn credibility and build trust, companies must engage with various stakeholders about the effectiveness of their sustainability objectives and outcomes.

The importance of building an effective ESG communication strategy is underscored by evidence from Edelman's *2022 Trust Barometer*. The annual research report revealed that 88% of institutional investors subject ESG issues to the same level of scrutiny as operational and financial considerations.

It also showed that 64% of respondents base their investments on a company's beliefs and values and that 60% consider corporate beliefs and values when choosing a workplace.

Here, we provide insights into the best practices for strategic ESG communications, with five lessons from three top-performing companies in Sustainalytics' universe.

Key lesson one: Take an 'always-on' approach to communicating about ESG

Sustainability reports are the most popular tool companies and organisations use to report their ESG impacts. According to a recent Sustainalytics survey, annual CSR or ESG reporting is companies' most frequently used ESG rating, with 28% of companies disclosing their ratings in such reports. In addition to disclosing ESG ratings, annual reports are a good opportunity to communicate high-level ESG objectives and disclose more granular details about key results and regulatory compliance.

Although many organisations opt for issuing a single annual report, some forward-thinking companies are turning to an "always-on" model. E.SUN Financial Holding, a Taiwanese-based bank that earned a Sustainalytics Top-Rated Badge for the banking industry, leverages various communication channels to continuously report on its ESG initiatives and achievements throughout the year.

"We disclose all news on our official website, intranet and some social media channels," says Joseph N.C Huang, chairman of E.SUN Financial Holding. "So, the general public — our shareholders actually — can continually get updates on our ESG initiatives."

Sustainability reports also offer an opportunity to bring your ESG story to life. Beyond just numbers, they are a chance to highlight the impact of your work and bring the people your initiatives are affecting into focus.

Key lesson two: Make transparency a priority

There is no trust without transparency, so keeping honest, clear communication at the centre of your ESG communication strategy is important. Whether you have a track record of successful ESG initiatives, glaring weaknesses, or a mix of both, staying open and authentic is the best way to build genuine, long-lasting relationships with your stakeholders.

Holaluz Clidom, a Spain-based energy transition company, attributes its success as a Sustainalytics Top-Rated Badge earner to its open and honest approach to communication.

"We strongly believe that over-communicating what we are doing is key to maximising our impact for our stakeholders," says Carlota Pi, co-founder and executive president of Holaluz Clidom. "We were born with ESG in our DNA, which is reflected in our commercial reports, corporate reports, internal communications, and financial reports, ensuring that our potential and existing stakeholders understand our approach."

A clear view of your company's current ESG journey demonstrates commitment to your customers and investors and can help motivate your internal teams to improve.

Key lesson three: Approach investor conferences through an ESG Lens

Communicating with investors about your ESG performance can be a daunting task. ESG performance has become an increasingly important set of metrics for investors to inform their investment decisions.

A growing segment of investors are looking more closely at ESG to create long-term shareholder value. As you build your ESG communication strategy, creating a plan for engaging with investors and shaping your ESG messaging to meet their expectations is critical. Huang says holding conferences and events for their investors has been a key part of E.SUN Financial Holding's communication strategy.

"Some of our investors take a long-term view in investing in our business, and they see our ESG performance as long-term value," says Huang. "Every quarter, we hold an investor conference. Besides our financial performance, we report how we offer 'sustainability as a service,' linking our financial expertise with ESG within financial products and services. In addition, we showcase the recognition E.SUN has received to inform investors about our ESG performance."

Continual communication through investor conferences allows you to understand better investors' ESG expectations, how they perceive your ESG performance, and what areas you need to improve to meet their expectations.

Key lesson four: Participate in ESG exchanges

ESG exchanges are events where companies gather with industry peers or clients to showcase their ESG performance and share lessons about building an effective strategy for sustainability. E. SUN Financial Holding has leveraged this tactic to connect with its clients.

"We organise ESG exchanges to meet directly with our corporate customers," says Huang. "We listen to their needs and difficulties with ESG issues, suggest transition pathways to sustainability depending on their business circumstances, and provide financial products as our ESG total solution. In addition, we detail our ESG progress and share information about what we learn from ESG evaluations and initiatives, such as Sustainalytics, SBTi, RE100 and DJSI."

These exchanges are a great way to hear new perspectives and gather new lessons to inform your ESG strategy.

Key lesson five: Leverage awards as an ESG performance indicator

Awards, like Sustainalytics' Top-Rated Badges, allow companies to communicate the strength of their ESG performance to various key stakeholders. Recognition from impartial, third-party organisations is a quick way to signal to investors that your company manages its material ESG issues well.

Awards are also an excellent tool for motivating employees and celebrating their contributions. ASR Nederland, a Netherlands-based insurance provider, leverages its Top-Rated Badge from Sustainalytics for various communication channels.

"Our Sustainalytics rating has become part of the story that we communicate to the outside world," says Barth Scholten, ESG investor relations officer at ASR Nederland. "Being #1 in Sustainalytics' assessment is a great way to start any investor meeting. This external recognition also means a lot to our employees. It validates our sustainable strategy and goals, which also helps attract new talent drawn to a sustainable employer."

Progressive companies can leverage awards to demonstrate their strong ESG performance for capital raising activities, marketing and promotional purposes, and internal and external benchmarking, among other use cases.

Whether you are just starting your ESG journey or already have a detailed strategy, implementing these lessons from some of the top-performing companies in Sustainalytics' universe can help you tell an ESG story that resonates with your investors, consumers, and employees. E

Curtis File is the editorial manager of ESG and sustainable finance at Sustainalytics

AUTOMOBILES & AUTO PARTS + TRANSPORTATION, AIR FREIGHT & LOGISTICS

Hutchison Port makes overall sector winner debut

OVERALL SECTOR WINNER
Hutchison Port Holdings Trust

GROWTH IN PAT OVER THREE YEARS:
Singapore Post

WEIGHTED ROE OVER THREE YEARS
Jardine Cycle & Carriage

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sri Trang Agro-Industry

Companies in the automobiles & auto parts + transportation, air freight & logistics sector are generally those that have benefited from a steady lift during the pandemic years. Even as financial markets and hospitality companies suffered, there were significant swathes of industries that stood to gain.

Sri Trang Agro-Industry, a leading rubber player from Thailand, rode on the surge in demand for gloves to become the winner in the returns to shareholders category among its sector peers. In the three years considered for this year's Billion Dollar Club (BDC), Sri Trang generated a 24.6% CAGR in its share price.

Sri Trang, dual-listed on both the Thai and Singapore exchanges, was established in 1987. Over the years, it has become a fully integrated natural rubber company, taking leading positions along the value chain. Upstream, it has 7,500ha of rubber plantations plus other cash crops. Midstream, Sri Trang commands a 33% market share of natural rubber in Thailand and a share of 11% worldwide. It offers a variety of natural rubber products to meet the diverse needs of customers worldwide, from Technically Specified Rubber (TSR) and Ribbed Smoked Sheets (RSS) to concentrated latex.

With 35 processing facilities, Sri Trang has a production capacity of 3.18 million tons per annum.

The company has extended its hand in downstream end-user products. Sri Trang Gloves (Thailand), one of the key entities that form the entire Sri Trang group, produces 52.5 billion pieces of gloves that are sold to more than 170 countries worldwide, giving it a market share of 7.2% in 2022.

BLOOMBERG

Hutchison Port Holding Trust operates a network of container terminals in Hong Kong and neighbouring Shenzhen, handling millions of containers annually

With an operating history of more than a century, Singapore Post's (SingPost) core business has been domestic mail, although it is seeing lower volumes. To make up for this drop, the company has actively expanded into logistics businesses both domestically and in overseas markets. In the three years under consideration for this year's BDC, SingPost chalked up PAT (profit after tax) CAGR growth of 63.7%, which earned it the top spot in this category among its sector peers. A significant chunk of the growth came from the big jump in earnings between FY2020 and FY2019 when SingPost had to book a hefty impairment on an acquisition.

SingPost recently won the go-ahead from the government to increase its domestic postal rates by 20 cents to 51 cents. However, the company has made it clear that its future growth drivers will be from its expanding regional logistics network, especially from its subsidiaries in Australia, and not so much within the limited Singapore market.

Jardine Cycle & Carriage (Jardine C&C), part of the sprawling Hong Kong-based Jardine conglomerate, came out tops in the weighted ROE (return on equity) category. Jardine C&C differs from other Jardine companies in that its main focus is on Southeast Asia and less so on Hong Kong and China. Its key business is its 50.1% interest in Astra, a diversified group in Indonesia that is also the largest independent automotive group in Southeast Asia. Its other stakes include 26.6% in Vietnam's Truong Hai Group Corporation, 34.4% in Refrigeration Electrical Engineering Corporation and 10.6% in Vinamilk. Jardine C&C's stake in Thailand's 25.5%-owned Siam City Cement also gives it a presence not only in Thailand but also in Vietnam, Sri Lanka, Cambodia and Bangladesh. Here in Singapore, its key business is its Cycle & Carriage car distributorship, selling brands such as Mercedes-Benz, Mitsubishi Motors, Kia and Citroën.

In this same sector at last year's BDC, Jardine C&C was the overall winner. This year, although Hutchison Port Holdings Trust (HPH Trust), listed on the Singapore Exchange since March 2011, did not top any of the categories, HPH Trust replaced Jardine C&C as the overall winner in this sector with its overall score of 58.8%. HPH Trust owns a portfolio of "market-leading, best-in-class" deep-water container terminals in the Pearl River Delta of South China.

In Hong Kong and Shenzhen, HPH Trust runs container terminals such as Hongkong International Terminals, Yantian International Container Terminals and Huizhou International Container Terminals. Of course, both container terminals are key points where China's massive exports are loaded and shipped to the rest of the world. E

SUPER BIG CAP COMPANIES (TOP 10% MARKET CAPITALISATION)

Wilmar, Thai Bev, DBS top super-big caps categories

OVERALL SECTOR WINNER
Wilmar International

GROWTH IN PAT OVER THREE YEARS
Wilmar International

WEIGHTED ROE OVER THREE YEARS
Thai Beverage

RETURNS TO SHAREHOLDERS OVER THREE YEARS
DBS Group Holdings

Wilmar International is the overall sector winner and winner for growth in PAT (profit after tax) in this new industry category of "super-big" companies. This new category recognises that the super-big caps are in a different league, where their market cap in the tens of billions is big enough and distinct enough from other Billion Dollar Club (BDC) winners with market value in the billions. Specifically, this category recognises BDC companies whose market caps are in the top 10%.

Wilmar International, one of the region's leading agri-food businesses, qualifies for this category without breaking a sweat. Under the leadership of chairman and CEO Kuok Khoon Hong, Wilmar, founded in 1991, is today an integrated agribusiness model covering the entire value chain of the agricultural commodity business from origination to processing, branding, merchandising and distribution.

Besides growing palm oil, Wilmar is into oilseed crushing, edible oils refining, flour and rice milling, sugar milling and refining, manufacturing of consumer products, ready-to-cook and ready-to-eat central kitchen products, speciality fats, oleochemicals, biodiesel and fertilisers as well as food park operations. It has a network of more than 500 manufacturing plants and a distribution network covering China, India, Indonesia and some 50 other countries.

In a sign of how Wilmar has turned scale and integration into a competitive business model, the company says it can extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies. In the three years under consideration for this year's BDC, Wilmar was able to generate a CAGR of 22.9% for PAT.

Thai Beverage is a leading beverage player in Asia, running four main business segments: It produces and sells spirits such as Ruang Khao and Mekhong; non-alcoholic beverages such as Oishi green tea and 100Plus isotonic drink; food including the KFC franchise in Thailand and, of course, beer, including its flagship brand Chang.

WILMAR INTERNATIONAL

Based in Singapore, Wilmar International operates an extensive agri-business empire that spans various segments of the industry's value chains

Thai Bev, controlled by the Sirivadhanabhakdi family, has been listed on the Singapore Exchange since 2006. Besides organic growth over the years, it has made regular acquisitions to build a strong presence in new markets outside Thailand. In 2012, it acquired Fraser and Neave, a Singapore household name. In 2017, ThaiBev took a 75% stake in the Grand Royal Group, the largest whiskey player in Myanmar, and also a 53.59% stake in Saigon Beer-Alcohol-Beverage Corporation (Sabeco), which owns popular brands Bia Saigon and 333. With this deal, Thai Bev became the largest beer player by volume in Southeast Asia. The company's products are sold in more than 90 countries. In the three years under consideration for this year's BDC, Thai Bev recorded a weighted return on equity of 16.2%.

DBS Group Holdings, Singapore's largest bank, is tops in the returns to shareholders category with a CAGR of 21.1% for the three years under consideration for this year's BDC. Under CEO Piyush Gupta, the bank has enjoyed steady growth as it radically transformed from a relatively conservative bank to one that leads the industry with its digital-savvy. Besides capital appreciation backed by regular records in its earnings, the bank has put in place a quarterly dividend policy, signalling confidence in the resilience of its earnings and cash flow. E

BANKING & INVESTMENT SERVICES + INSURANCE + FINTECH & INFRASTRUCTURE

DBS Group and iFast Corp divide the spoils

OVERALL SECTOR WINNER
DBS Group Holdings

GROWTH IN PAT OVER THREE YEARS
DBS Group Holdings

WEIGHTED ROE OVER THREE YEARS
iFast Corp

RETURNS TO SHAREHOLDERS OVER THREE YEARS
iFast Corp

DBS Group Holdings is a company that requires no introduction to anyone in Singapore. The country's largest bank provides the full range of banking and financial services from the largest multinational corporations requiring complicated financing needs to the eager-beaver primary school child opening a savings account in a bid to understand how money works. From its home market of Singapore, DBS has built a presence in about 20 markets, as it maintains "AA–" and "Aa1" credit ratings, which are among the highest in the world.

In FY2022 ended December 2022, DBS reported record earnings of $8.19 billion, up 20% over the preceding year. This achievement, plus earnings growth from the two preceding years, helped the bank win the growth in the profit after tax (PAT) category among its sector peers at this year's Billion Dollar Club (BDC). It took home the overall sector winner title as well.

According to DBS, earnings were propelled by tailwinds from a rising interest rate environment, with net interest margin increasing after three years of decline, influenced by higher rates set up by the US Federal Reserve Board to tackle the big problem of inflation. Even though it has become costlier to borrow, DBS was still able to grow its loan book on constant currency terms by 4% in FY2022.

DBS has made sure it continues to reward its shareholders. With record earnings and a strong capital base, DBS paid a total FY2022 dividend of $2 per share, which includes a 50-cent special dividend. Barring unforeseen circumstances, the annualised dividend going forward will be $1.68 per share.

DBS

DBS reported record earnings for FY2022 and having paid $2 per share in dividends for FY2022, is guiding to pay $1.68 on an annual basis

DBS says its "solid financial performance" is the result of the "structural shifts" made over the past decade, ranging from the buildout of higher return business lines or the pervasive digital transformation that began in 2014.

iFast Corp has been a regular winner at the BDC over the years. This year, it topped the returns to shareholders and weighted return on equity (ROE) categories. iFast, which was set up in 2000 and listed in December 2014, is famous for being among the earliest financial institutions to make use of online channels to reach out and sell to consumers. Specifically, it did so with the hugely popular online unit trust platform, Fundsupermart.com more than 20 years ago.

Since then, the company steadily expanded its offerings to many other asset classes and product ranges, reshaping itself as a comprehensive wealth management platform with assets under administration (AUA) of $18.81 billion as at June 30.

iFast offers access to over 18,000 investment products including over 12,000 funds from over 310 fund houses, over 2,000 bonds, stocks and ETFs listed on the Singapore, Hong Kong, US, Malaysia, and China A stock exchanges, as well as services including online discretionary portfolio management services, research and investment seminars, fintech solutions, and investment administration and transaction services.

While iFast previously tried to win a Singapore digital bank licence but did not succeed, that has not stopped the company from securing the right to do so elsewhere, specifically in the UK.

At times, iFast grew by other means too. On Aug 31, it announced it is taking over the investment and insurance business from MoneyOwl, a financial advisory company which is set to wind down by Dec 31. As part of the process, MoneyOwl will transfer its investment and insurance business to iFast Financial, which is already the current custodian of MoneyOwl clients' investment accounts.

Lim Chung Chun, iFast's chairman and CEO, says his company is committed to providing the best support to MoneyOwl's clients and ensuring a seamless transition. "iFast will be able to provide the convenience of a digital trading platform, coupled with advice across various product types from licensed wealth advisers and we believe this will support the clients' wealth management and protection needs," he says. E

THE EDGE SINGAPORE
BILLION DOLLAR CLUB 2023

CYCLICAL CONSUMER SERVICES + RETAILERS

The Hour Glass makes a clean winning sweep

OVER BDC WINNER
The Hour Glass

OVERALL SECTOR WINNER
The Hour Glass

GROWTH IN PAT OVER THREE YEARS:
The Hour Glass

WEIGHTED ROE OVER THREE YEARS
The Hour Glass

RETURNS TO SHAREHOLDERS OVER THREE YEARS
The Hour Glass

The Hour Glass made a clean sweep in this year's Billion Dollar Club (BDC). In the cyclical consumer services and retailers sector classification, the luxury watch seller emerged at the top in weighted return on equity (ROE) categories, growth in profit after tax (PAT) and returns to shareholders. It is the overall sector winner too. To top it all off, The Hour Glass is also the overall BDC winner with a total score of 79.33%, followed by runner-up Frasers Logistics and Commercial Trust at 70.55%.

From 54 cents as at March 2020, its share price surged to as high as $2.33 as at March 2022 before dipping slightly to $2.18 as at March this year, translating into a CAGR growth of 59.2% over the three years.

In the three financial years taken into consideration for this year's BDC, The Hour Glass grew its earnings from $70.4 million in FY2019 ended March 2019 to $154.7 million in FY2022 ended March 2022, representing a CAGR of 30%. ROE also increased from 13% for FY2020 to 21.6% for FY2022, giving a weighted ROE of 17.3% over the three years under consideration.

The Hour Glass has a presence in eight other key cities across Asia Pacific, with a network of 55 boutiques. The company carries leading brands such as Rolex, Patek Philippe, Audemars Piguet, Hublot, FP Journe, Breguet, Cartier, Girard-Perregaux, Omega, Panerai, TAG Heuer and Tudor.

The Hour Glass scored big at this year's BDC as its business enjoyed a multi-year growth amid surging global demand for high-end timepieces, thanks to higher disposable income that could not be spent on overseas vacations and dining out.

The company's financial performance has further improved in the most recent financial year, which was not considered in calculating this year's winners. In FY2023 ended March 31, The Hour Glass reported record earnings of $174.2 million, up 11% over the preceding year. Sales in the period were up 9% to $1.12 billion. Cash and bank balances stood at a healthy $244.6 million. As at March 31, the company's net asset value was $774 million or $1.18 per share — a significant jump from 68 cents as at March 31, 2022.

ALBERT CHU/THE EDGE SINGAPORE

The Hour Glass runs a network of boutiques across the region

The Hour Glass has been making investments elsewhere besides the core business of selling watches. For example, it spent $83.2 million buying a prime commercial property in Brisbane, Australia, whose key long-term tenants include Hermès and itself.

To deliver value to its shareholders, The Hour Glass spent $55.3 million buying back shares from the market. On top of an interim dividend of 2 cents a share, the company declared a final dividend of 6 cents per share, bringing the total dividend for FY2023 to $52.7 million.

As Dr Henry Tay, executive chairman of The Hour Glass, describes in the annual report, the report card from the company "reflected developments in the watch market during an extraordinary period".

However, he is careful not to get too carried away. "In a shifting rate environment with economic activity and consumer behaviour reverting to pre-pandemic norms, a sense of balance and moderation appears to return to the high-end watch industry ... So, despite our solid operating performance, we remain vigilant as we head into this next macro-dynamic phase of uncertainty and decelerating growth for the world," he says.

Beyond the short-term changes in business conditions, The Hour Glass shows it is closely watching the industry landscape with a long-term view.

"As it is for watch brands, the path to becoming a successful retailer is clear. What matters is a long-term focus and our ability to execute our mission: We must do it better, not necessarily faster, than the competition.

"We will continue to invest with the next decade in mind and operate in a manner that may not maximise short-term financial gains and will extract future advantages. We shall continue to focus on being the best possible collaborator for the brands we represent, with a deliberate emphasis on offering high-quality watches with a high-quality personalised service to our clients. The short-term outlook has dimmed, but I am confident that the future will remain dynamic and prosperous," says Tay. E

ENERGY - FOSSIL FUELS + CHEMICALS + HOLDING COMPANIES + UTILITIES

Sembcorp's brown-to-green strategy wins it best returns

OVERALL SECTOR WINNER
Sembcorp Industries

GROWTH IN PAT OVER THREE YEARS
No winner

WEIGHTED ROE OVER THREE YEARS
No winner

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sembcorp Industries

Like The Hour Glass in the consumer cyclical sector, Sembcorp Industries is the only winning company in the energy-fossil fuels + chemicals + holding companies + utilities sector at this year's Billion Dollar Club (BDC).

Based on our methodology, there are no winners for the weighted return on equity (ROE) and growth in profit after tax (PAT) categories. As such, Sembcorp Industries is deemed the winner for returns to shareholders and is also the overall sector winner.

Sembcorp, a component of the Straits Times Index, is described as a leading energy and urban solutions provider actively moving into renewable energy amid a wider drive for sustainability.

The company used to be like a conglomerate with stakes and interests in multiple industries but is maintaining a clear focus on energy under the current management team.

Sembcorp says it is actively leveraging its sector expertise and global track record to deliver innovative solutions supporting the energy transition and sustainable development.

The company's energy business was based on fossil fuels for years. With sustainability now key, it has actively added renewable-based energy assets into its portfolio. It now has a "balanced" energy portfolio of 19.4GW, with 11.9GW of gross renewable energy capacity comprising solar, wind and energy storage globally.

In addition, the company is in what it calls integrated urban solutions. Sembcorp says it has built a "proven track record" of transforming raw land into sustainable urban developments, with a project portfolio spanning over 13,000ha across Asia.

SEMBCORP INDUSTRIES

Sembcorp is actively investing to beef up its renewable energy portfolio, such as wind farms in India

In Singapore, a company with a market cap in the billions is normally not seen as a multi-bagger, given how large caps are often past their peak growth phase. However, Sembcorp did just that. This is more remarkable given that this is a utility company — better known for steady cash flows and healthy dividend yields.

From a share price of 78 cents as at March 2020, Sembcorp's share price increased to $1.84 a year later and $2.67 as at March 31, 2022. As at March 31, its share price hit $4.38. In the three years taken into consideration for the BDC, Sembcorp's share price increased at a CAGR of 77.7%, earning Sembcorp the second-best performer after iFast Corp's 83.1%. In third place is Golden Energy and Resources, which reported a CAGR of 77.5%.

Sembcorp reported earnings of $247 million in FY2019 ended December 2019, but sank into a loss of $997 million the following year, largely because of an impairment it took related to its former subsidiary Sembcorp Marine.

In FY2021, the company bounced back with earnings of $279 million and surged to $848 million in FY2022 as investors sat up and took notice that the company was raking it in with rising energy prices because of the global recovery from the pandemic plus the outbreak of fighting between Russia and Ukraine, which constricted energy supply.

However, as the movement of its share price has shown, investors like Sembcorp's active investment into the renewable energy space, too, as it executes its strategy to transform from "brown to green". E

FOOD & BEVERAGES, FOOD PROCESSING + FOOD & DRUG RETAILING

Palm oil giants and Sheng Siong Group share the wins

OVERALL SECTOR WINNER
Golden Agri-Resources

GROWTH IN PAT OVER THREE YEARS
Wilmar International

WEIGHTED ROE OVER THREE YEARS
Sheng Siong Group

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Golden Agri-Resources

Leading palm oil companies Golden Agri-Resources and Wilmar International figure prominently in the food & beverages + food & drug retailing sector. Golden Agri-Resources, led by chairman Franky Widjaja, describes itself as one of the world's largest "seed to shelf" agribusinesses. The company was set up in 1996 and listed on the Singapore Exchange in 1999. It has operations across 14 countries. Its products are sold to around 100 countries worldwide, such as China, India and the US, as well as various destinations in Europe and the Middle East.

Golden-Agri Resources manages around 538,000ha of plantations, including farms of small owners, across Indonesia. In 2022, it produced around 2.43 million tonnes of crude palm oil (CPO). The company manufactures products for the global agronomy, food, oleochemical and bioenergy markets via its downstream refining and speciality product facilities. In addition, Golden Agri-Resources runs complementary businesses such as sugar and soybean-based products in China and sunflower-based products in India.

With an eye on sustainability, Golden Agri-Resources has achieved 98% traceability to the plantation in its palm supply chain at the end of 2022. The company has also set aside 79,900ha for conservation.

In this year's Billion Dollar Club (BDC), besides coming up as the overall sector winner, the company is tops for returns to shareholders over the three years under consideration, with its share price increasing from 14 cents as at March 31, 2020 to 29 cents as at March 31, translating into a CAGR of 26.4%. Together with other sector-leading metrics, Golden Agri-Resources has also been named the overall sector winner.

THE EDGE SINGAPORE

Golden Agri-Resources, the overall sector winner, is led by chairman Franky Widjaja

Wilmar International, similar to Golden Agri-Resources, is another agri-business. The company was founded in 1991 and has, over the years, built up the entire value chain of the agricultural commodity business, from cultivation and milling of palm oil and sugarcane to processing, branding and distribution of a wide range of edible food products in consumer, medium and bulk packaging, animal feeds and industrial agri-products such as oleochemicals and biodiesel. The company runs over 500 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries and regions.

Wilmar is the winner for the growth in the profit after tax (PAT) category. In the three years under consideration, earnings grew from US$1.3 billion in FY2019 ended Dec 31, 2019 to a record US$2.4 billion ($3.28 billion) in FY2022, representing a CAGR of 22.9%.

The company enjoyed higher prices for palm oil and sugar and better margins from processing, which helped to offset higher shipping costs. Shareholders were rewarded with a record cash dividend of 17 cents. Kuok Khoon Hong, chairman and CEO of Wilmar, describes FY2022 as an "exceptional" year. "Our team managed our operations well despite the volatility in the commodities markets and general economic slowdown during the past year," says Kuok.

Leading supermarket chain Sheng Siong Group generated a weighted return on equity (ROE) of 33.6% in the three years under consideration for this year's BDC. This showing not only makes it the best sector winner for this category, Sheng Siong also has the 5th best ROE among all BDC winners.

From its humble beginnings of just one outlet, Sheng Siong has over the years built up a network of nearly 70 supermarkets in Singapore and is steadily expanding its presence in China, with six outlets and counting.

Unlike several other supermarket chains that make it a point to be anchor tenants in shopping malls, Sheng Siong is known to locate its outlets in the heartlands of Singapore. Besides the usual supermarket fare of packaged or preserved food, Sheng Siong has an extensive "fresh" food selection. It has also developed a selection of house brands to offer customers quality alternatives to branded products at substantial savings. To date, Sheng Siong offers over 1,600 products under its 23 house brands, ranging from food products to paper goods. E

HEALTHCARE SERVICES, MEDICAL EQUIPMENT, SUPPLIES & DISTRIBUTION + PHARMACEUTICALS + BIOTECHNOLOGY & MEDICAL RESEARCH

Raffles Medical leads; Tianjin Pharma, IHH Healthcare and Top Glove top own categories

OVERALL SECTOR WINNER
Raffles Medical Group

GROWTH IN PAT OVER THREE YEARS
IHH Healthcare

WEIGHTED ROE OVER THREE YEARS
Top Glove Corp

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Tianjin Pharmaceutical Da Ren Tang Group

Raffles Medical Group, a leading healthcare provider, emerged as the top performer in this sector. The company, founded by executive chairman Dr Loo Choon Yong in 1976, has grown into the region's leading integrated private healthcare provider. It provides primary and tertiary care, health insurance and related services for patients and customers in 14 cities in five Asian countries. It also runs three tertiary hospitals and over 100 multidisciplinary clinics, offering health screening, specialist care, diagnostic radiology, dental and traditional Chinese medicine services.

Raffles Medical enjoyed a surge in its business over the last few years for providing pandemic-related medical services such as vaccinations. On top of its hospitals in Singapore and China, Raffles Medical recently announced it is taking a majority stake in a Vietnam hospital and operating it.

Tianjin Pharmaceutical Da Ren Tang Group is one of the earliest China-based companies to list on the Singapore Exchange (SGX) in 1997 before a Shangai listing in 2001. The company, formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation before a name change in March 2022, describes itself as the core pharmaceutical manufacturing arm of a state-owned enterprise, Tianjin Pharmaceutical Holdings. Over the years, it has developed a portfolio of hundreds of medicinal products, including some that have been given top-level classification by China.

RAFFLES MEDICAL GROUP

Raffles Medical Group recently acquired a majority stake in a Vietnam hospital as part of its growth plans

Tianjin Pharmaceutical's share price has increased steadily. Its share price has grown from 57 US cents on March 31, 2020 and 89 US cents on March 31, 2021 to US$1.07 on March 31, 2022 and US$1.53 ($2.09) on March 31. This performance translates into a CAGR of 39.4%.

The higher share price is backed by higher earnings. In FY2022 ended Dec 31, 2022, the company reported earnings of RMB861.8 million ($163 million), up 12% y-o-y, on the back of revenue of RMB8.25 billion.

IHH Healthcare, dual-listed on both the Singapore and Malaysia exchanges, is the winner of the growth in the profit after tax (PAT) category. As one of the largest healthcare groups in the region, IHH Healthcare operates 83 hospitals in 10 countries spanning from Central Europe to Singapore, where it runs four of the leading private hospitals in Singapore. It is also a sponsor of Parkway Life REIT.

For the three years under consideration in this year's BDC, IHH Healthcare's earnings managed a CAGR of 41.1%, which makes it among the top few companies in the BDC in this metric. Besides steady growth, IHH Healthcare managed to score this partly from circumstances brought about by the pandemic, when many patients held back elective procedures during the lockdown, which resumed in a big way when measures were lifted.

Top Glove Corp, the world's largest glove-makers, wrapped up this sector with its weighted return on equity (ROE) win. The company's business benefitted significantly during the pandemic years, when demand for its products shot through the roof, lifting margins and earnings along the way.

Like IHH Healthcare, Top Glove is listed in Singapore and Malaysia. Established in 1991, the company started with a single factory and one glove production line. Today, it is the world's largest company in this industry, holding over a quarter of the market share. Its products are exported globally.

For the three years under consideration for this year's BDC, Top Glove managed a weighted ROE of 54.5%, making it the only winner in this metric for this industry sector but also the best-performing company among all BDC companies. E

INDUSTRIAL CONGLOMERATES + INDUSTRIAL GOODS, SHIPBUILDING

Yangzijiang Shipbuilding leads industrial and goods

OVERALL SECTOR WINNER
Yangzijiang Shipbuilding (Holdings)

GROWTH IN PAT OVER THREE YEARS
No winner

WEIGHTED ROE OVER THREE YEARS
Singapore Technologies Engineering

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Yangzijiang Shipbuilding (Holdings)

Yangzijiang Shipbuilding (Holdings) is the overall winner in the industrial conglomerates and goods sector. The company, one of China's leading private shipbuilders, also comes in top for generating the highest returns to shareholders in the three financial years taken into consideration for this year's Billion Dollar Club (BDC). Meanwhile, Singapore Technologies Engineering is the winner for generating the best weighted return on equity (ROE) within this category. There is no winner in the profit after tax (PAT) growth category.

Yangzijiang Shipbuilding can trace its history back to 1956, when it was started as a shipbuilding cooperative. Following years of growth, the company has three giant dry docks and three large- and medium-sized slipways, with an annual shipbuilding production capacity of 7 million dwt. It manufactures large and medium-sized container ships, bulk carriers, oil tankers, liquid carriers and other clean energy ships, multi-purpose ships, and ocean engineering equipment too. Its shipbuilding output has earned it a top-five rank in China's shipbuilding industry since 2009.

Yangzijiang Shipbuilding was listed on the Singapore Exchange (SGX) in 2007, near the start of a listing wave of small China-based companies dubbed "S-chips". However, the company differed from most S-chips because of the RMB5.5 billion raised back then, which put it in the big league and was included as a component stock of the Straits Times Index.

YANGZIJIANG SHIPBUILDING

Besides a growing order book, Yangzijiang Shipbuilding has been winning a bigger proportion of orders to build vessels running on fuel deemed more sustainable

In recent years, Yangzijiang Shipbuilding has steadily grown its top and bottom lines as shipping demand recovers. Following the inroads it made into green shipbuilding, its order book composition has been transformed progressively, with more weightage towards clean vessel types. As of June 30, the US$5.8 billion ($7.9 billion) in new contracts won for 72 vessels include 10 units of LNG dual-fuel containerships and 10 units of methanol dual-fuel containerships. These orders brought its total outstanding order book in 1HFY2023 ended June to US$14.7 billion for 181 vessels. Clean energy vessels now represent 56% of its total value of contracts, compared to 23% recorded 12 months ago.

A significant contributor to Yangzijiang Shipbuilding's total returns to shareholders came from the spinning off and listing of its financial services arm. On April 22, Yangzijiang Financial Holding, with a book value of $4.3 billion as of December 2021, was listed on the Singapore Exchange. Under the listing terms, Yangzijiang Shipbuilding's shareholders were entitled to a share of Yangzijiang Financial Holding for each share they held. For the three years under consideration, Yangzijiang Shipbuilding's returns to shareholder grew at a CAGR of 40.7%.

According to Yangzijiang Shipbuilding, the spinoff would give the financial services unit an independent platform to raise more funds to grow its investing and wealth management services across the region instead of focusing mainly on debt which was the case before the spinoff. As for Yangzijiang, Shipbuilding, it would become a more pure-play shipbuilding and shipping business, making it more directly comparable to other global names.

ST Engineering, another index stock, with a weighted ROE of 23% in the three years under review in this year's BDC, has been named winner of this category. In recent years, the company has undergone some internal restructuring so its new business units can better capture new markets. Its three key business areas now are defence and public security, commercial aerospace, and smart cities and urban solutions. To beef up its capabilities and to gain new beachheads, ST Engineering, in March 2022, completed its largest acquisition, paying US$2.7 billion for the US-based traffic management system TransCore. E

REAL ESTATE COMPANIES

GuocoLand tops sector as investment properties take root

OVERALL SECTOR WINNER
GuocoLand

GROWTH IN PAT OVER THREE YEARS
Wing Tai Holdings

WEIGHTED ROE OVER THREE YEARS
Bukit Sembawang Estates

RETURNS TO SHAREHOLDERS OVER THREE YEARS
OUE

Four established and recognisable names have been named winners in the real estate companies sector. Bukit Sembawang Estates, winner of the weighted return on equity (ROE) category with its 8% CAGR in the three years under consideration, can trace its roots to a leading rubber company formed in 1911. However, as the economic makeup of Singapore changed over the years, Bukit Sembawang Estates also adapted accordingly. The company was incorporated in its current form in 1967, having started property development as its main business in the 1950s.

Over the decades, Bukit Sembawang has built some of Singapore's most well-known residential developments, including more than 4,600 landed homes in Seletar Hills, Sembawang Hills and Luxus Hills, and more than 1,800 residence units in Singapore's prime locations such as District 9 and 10. It has also gained a reputation as a trusted developer of quality homes.

In the profit after tax (PAT) growth category, Wing Tai Holdings won with a CAGR of 44.2% for the three years under consideration. The company, listed on the Singapore Exchange (SGX) in 1989, started as a Hong Kong-based garment maker in 1955 and expanded into Singapore in 1963, followed by Malaysia in 1966.

Wing Tai's Singapore presence started from a modest rented factory in Little Road to numerous factories, producing on behalf of leading brands such as Levis, Banana Republic, Gap and Polo Ralph Lauren.

Wing Tai's diversification into property began in 1978 before chalking up a long list of notable residential and commercial developments in Singapore over the years. The company also expanded into Malaysia, China, Japan and Australia, building an asset base of $4.5 billion.

OUE, another long-established company in Singapore, won for returns to shareholders. In the three years under consideration, OUE managed a 6.3% growth in shareholders' returns. OUE is a leading pan-Asian, full-service real estate development, investment and management company with assets across the commercial, hospitality, retail, residential and healthcare sectors. It is best known for its landmark properties in Singapore, such as One Raffles Place, and China. This gives the company a total asset base of $9.5 billion as of Dec 31, 2022.

Besides developing and owning properties, OUE manages two SGX-listed REITs: OUE Commercial Real Estate Investment Trust and First Real Estate Investment Trust. As of Dec 31, 2022, OUE managed $7.8 billion in funds under management across its two REIT platforms and managed accounts.

GUOCOLAND

GuocoLand is focusing more on investment properties such as Guoco Midtown that can give it better quality recurring income

Since 2017, the company has expanded its business activities into the complementary and high-growth healthcare and consumer sectors. OUE is the controlling shareholder of OUE Healthcare, the SGX-listed integrated healthcare services provider that owns, operates and invests in quality healthcare assets in high-growth Asian markets and is trying to further grow by privatising HMC, which operates a chain of clinics.

GuocoLand did not win any of the categories but has won the overall sector winner with its overall balanced performance. In recent years, GuocoLand has shifted its strategy from developing largely residential projects into one that places more emphasis on investment. Guoco Tower, a mixed development at the prime Tanjong Pagar area, has not only changed the Singapore skyline but helped lift the proportion of GuocoLand's recurring income, giving its shareholders much better earnings visibility. Guoco Midtown, which will soon be completed, is another mixed-use project expected to become the new focal point of the Bugis area.

As of June 30, GuocoLand's investment properties are valued at $6.2 billion. It also has a total asset base of $12.01 billion and total equity attributable to ordinary equity holders of $4.27 billion. E

REAL ESTATE INVESTMENT TRUSTS (REITS)

FLCT is overall sector and PAT growth winner

OVERALL SECTOR WINNER
Frasers Logistics & Commercial Trust

GROWTH IN PAT OVER THREE YEARS
Frasers Logistics & Commercial Trust

WEIGHTED ROE OVER THREE YEARS
CapitaLand India Trust

RETURNS TO SHAREHOLDERS OVER THREE YEARS
CDL Hospitality Trusts

Frasers Logistics & Commercial Trust (FLCT) emerged as the winner in the REITs sector, securing both the overall sector winner and growth in profit after tax (PAT) titles.

FLCT was formed from the merger of Frasers Logistics and Industrial Trust and the Frasers Commercial Trust in 2020. FLCT is backed by Frasers Property, whose controlling shareholders, the Sirivadhanabhakdi family, have two other Singapore-listed REITs, Frasers Centrepoint Trust and Frasers Hospitality Trust, as well as beverage manufacturer Fraser and Neave and Thailand-based alcohol, drinks and foodstuff manufacturer Thai Beverage.

FLCT was listed on the Singapore Exchange in June 2016 at an IPO price of 89 cents. Back then, its portfolio consisted of 51 Australian logistics properties. Since then, it has expanded its portfolio with a series of acquisitions into multiple new markets. These included Australia, Germany, the UK, Singapore and the Netherlands.

Over the years, it has spent $5 billion on accretive acquisitions. It has also been rebalancing its portfolio by diversifying some $1.5 billion worth of assets at a premium to their respective book values. Its portfolio now consists of 107 properties valued at $6.9 billion, the bulk of which are 99 logistics and industrial properties and eight commercial properties with a total lettable area of 2.7 million sqm.

With strong connectivity to key infrastructure, FLCT's modern portfolio consists predominantly of freehold and long-leasehold land tenure assets with a well-diversified tenant base. With its portfolio of logistics assets, FLCT was in a good position to capture growth in demand for such assets during the pandemic. In the three years under consideration for this year's Billion Dollar Club (BDC), FLCT achieved PAT growth at 27.8% CAGR.

FLCT

Maxis Business Park, a property acquired by FLCT in the UK back in 2020

Separately, CDL Hospitality Trusts (CDLHT) won the returns to shareholders category for the REIT sector with a CAGR of 14.2% in shareholder returns in the three years under consideration for this year's BDC.

CDLHT, backed by City Developments, is a leading regional hospitality trust that was listed in July 2006. It consists of CDL Hospitality Real Estate Investment Trust, a real estate investment trust, and CDL Hospitality Business Trust, a business trust.

As at June 30, CDLHT held assets under management of about $3.1 billion. Its portfolio comprises 19 operational properties (including 4,820 rooms and a retail mall) and one build-to-rent project with 352 apartment units in the pipeline. The Singapore hotels under CDLHT include the Grand Copthorne Waterfront Hotel, M Hotel and W Singapore-Sentosa Cove. Like the entire hospitality industry, CDLHT was hit by the pandemic but bounced back strongly.

CapitaLand India Trust (CLINT), one of the REITs belonging to CapitaLand Investment, was named the winner for the weighted return on equity (ROE) category among its REIT peers. For the three years under consideration in this year's BDC, it generated a weighted ROE CAGR of 8.1%.

CLINT, formerly Ascendas India Trust, was listed in August 2007 as the first Indian property trust in Asia. Its principal objective is to own income-producing real estate used primarily as business space in India. Significantly different from many other REITs, CLINT is active in developing and acquiring land or uncompleted developments to be used as business space and held after completion. In contrast, many REITs prefer to buy mature assets.

CLINT's portfolio includes nine IT business parks, one logistics park, one industrial facility and four data centre developments in India, with a total completed floor area of 19.2 million sq ft spread across Bangalore, Chennai, Hyderabad, Pune and Mumbai. As at May 12, CLINT's assets under management stood at $2.7 billion. E

TECHNOLOGY EQUIPMENT + TELECOMMUNICATION SERVICES

Regular BDC winner Venture Corp triumphs again

Venture Corp, a regular winner at the Billion Dollar Club (BDC), is in pole position again at the finishing line. This time, Venture, one of the leading Singapore-listed manufacturing names, wins the overall sector and returns to shareholders categories.

OVERALL SECTOR WINNER
Venture Corp

GROWTH IN PAT OVER THREE YEARS
Netlink NBN Trust

WEIGHTED ROE OVER THREE YEARS
StarHub

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Venture Corp

Over the years, the company has made its name in building up healthy cash levels, which it consistently shares with shareholders despite fluctuations in its actual earnings linked to the cyclical global demand and supply for electronics.

Venture was formed in 1989 and has grown steadily into a sprawling group of companies across Southeast Asia, America and Europe. Venture was known in the early years for being a contract manufacturer of HP printers but over the years, it developed deep know-how and expertise in various technology domains including life science, molecular diagnostics, medical devices, healthcare, test and measurement instrumentation, networking and communications, advanced industrial as well as computing, printing and imaging technology.

With an eye on the business landscape getting a lot more complex, Venture in May announced a restructuring that saw the appointment of two CEOs heading a business group each.

First, the Technology Products & Solutions group comprise primarily the life-science and genomics domain, the custom design business (focused on leading-edge biotech and medical equipment) and the solutions and strategic modules business. This group is headed by Lee Ghai Keen, who oversees Venture's precision engineering business.

The other is the Advanced Manufacturing & Design Solutions (AMDS) group, which is engaged in the design and manufacture of a wide range of sophisticated electronic products, including products within the healthcare, luxury lifestyle and wellness domain, semiconductor-related equipment and modules, plus several other emerging tech domains.

This group is headed by Wong Chee Kheong, who also leads Venture's group IT and global supplier base management divisions. Wong Ngit Liong, Venture's long-time boss, remains at the helm as the executive chairman.

Netlink NBN Trust, meanwhile, was named category winner for highest growth in profit after tax (PAT), with a CAGR of 5.7% in the three years under consideration for this year's BDC. Netlink Trust, which can trace its roots to a former subsidiary of Singapore Telecommunications, was set up in 2017 to own Singapore's only nationwide fibre network.

VENTURE CORP

Venture Corp is organising itself into two business groups to better capture opportunities in the new market environment that is more complicated than before

Fibre is seen as a means to reliably transmit internet access at high speeds and offers plenty of bandwidth for speed upgrades to support future uses in the Internet of Things, cloud computing, autonomous driving, smart manufacturing, remote surgery and other digital applications.

Under Singapore's telecommunications regulatory framework, Netlink Trust provides equal and open access to all internet service providers demanding high-speed access for households and businesses alike. These customers include the likes of M1, MyRepublic, Simba, Singtel, SPTel, StarHub, Supernet and ViewQwest.

StarHub, a full-suite telco, led the industry sector with the best weighted return on equity (ROE) CAGR of 19.5% for the three years under consideration for this year's BDC.

In recent years, alongside catering to consumer needs with mobile, pay TV and internet services, the company has made substantial investments in expanding its enterprise business. It now targets larger business clients with a range of services, including cybersecurity, going beyond mere communication access. StarHub has also been in the midst of an internal transformation programme to prepare it better to tackle new challenges brought about by the changing telco market. E

CENTURION CLUB: APPLIED RESOURCES + CHEMICALS + ENERGY – FOSSIL FUELS + MINERAL RESOURCES + RENEWABLE ENERGY + UTILITIES

Straits Trading tops sector with divestment gains; Fortress Minerals rides on rising commodity prices

GROWTH IN PAT OVER THREE YEARS
Straits Trading Co

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Malaysia Smelting Corp

WEIGHTED ROE OVER THREE YEARS
Fortress Minerals

OVERALL SECTOR WINNER
Straits Trading Co

Within the Centurion Club, the Straits Trading Company won the growth in profit after tax (PAT) category in the applied resources sector and emerged as the overall winner as well. In addition, its separately listed subsidiary, Malaysia Smelting Corp (MSC) is ranked top for returns to shareholders. The group was prevented from making a clean sweep by Fortress Minerals which had the highest weighted returns to shareholders (ROE) in this sector.

Established in 1887, Straits Trading is one of the oldest listed companies in Singapore. Over the years, it has evolved into a conglomerate with varying interests in resources, property and hospitality. It also has a 52% stake in Malaysia Smelting Corp, listed on both Bursa Malaysia and Singapore Exchange.

As described by executive chairman Chew Gek Khim in the company's FY2022 ended December 2022 annual report, the year was one where the company was focused on realising the value of its portfolio.

The key development, of course, was the divestment by Straits Trading of its stake in ARA Asset Management to ESR, which led to the booking of a gain of more than $1 billion, helping to lift the CAGR of its PAT in the three years under consideration to 89%. "This further highlights Straits Trading's distinctive edge as a conglomerate investment company, capitalising on our expertise in capital allocation to drive outsized returns," says Chew.

MSC, which topped this industry category for returns to shareholders, enjoyed a lift from rising commodity prices. For the three years under consideration, it recorded 42.2% in CAGR for this metric. In 2022 alone, MSC produced 19,385 tonnes of tin metal, making it one of the largest suppliers of tin metal in the world with a market share of 5%. Besides volume, it benefited from record tin prices of RM220,000 per metric tonne in early 2022.

SAMUEL ISAAC CHUA/THE EDGE SINGAPORE

The Tan Chin Tuan Mansion, an iconic building where the office of Tecity, the family-owned vehicle that controls The Straits Trading, is located

Having started business back in 1887, MSC remains upbeat about its long-term prospects, thanks to growing demand from the electronics sector. Tin is a critical element in enhancing the capacity and lifecycle of lithium-ion batteries used to run electric vehicles.

"The ongoing global transition towards renewable energy and energy storage systems is expected to support the demand for the metal, as tin solder is broadly utilised in the production of these systems," says Chew in MSC's FY2022 annual report.

"We are actively pursuing opportunities to strengthen our fundamentals and seize emerging possibilities," adds Chew.

The global trend of higher commodity prices has benefited another winner, Fortress Minerals Group, a leading iron ore concentrate producer in Malaysia. More than mining, the company is also in the business of exploration, processing and sale of iron ore concentrate. The company produces magnetite iron ore concentrate with a total iron (TFe) grade of 65% and above. Its key mine is at Bukit Besi and its ores are sold to steel mills and trading companies in Malaysia and also exported to China. For the three years under consideration, the company's weighted ROE was 34.5%. E

CENTURION CLUB: AUTOMOBILES & AUTO PARTS + TRANSPORTATION

Samudera Shipping makes clean sweep with winds in its favour

GROWTH IN PAT OVER THREE YEARS
Samudera Shipping Line

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Samudera Shipping Line

WEIGHTED ROE OVER THREE YEARS
Samudera Shipping Line

OVERALL SECTOR WINNER
Samudera Shipping Line

Founded in 1993, Samudera Shipping, the shipping and logistics firm that is majority owned by Samudera Indonesia, has established a track record of professionalism and competency.

Under the leadership of chairman Masli Mulia, the company has grown over the years through prudent management, a key trait for an industry that is known for its volatile cycles.

The company operates container vessels, bulk carriers and tankers and its fleet ply trade routes connecting various ports in Southeast Asia, the Indian subcontinent, the Far East, and the Middle East.

Leveraging its extensive network, Samudera's container shipping business segment offers feeder services between its "hub" port in Singapore and other "spoke" ports in Asia, as well as inter-regional container shipping services to manufacturers, exporters and importers.

Over the past few years, Samudera has benefited from a global shipping boom as pent-up demand for shipping services after the pandemic, higher commodity prices and a shortage of capacity all drove up shipping rates.

"For Samudera, the timing was perfect," says Masli in the company's FY2022 ended Dec 31, 2022 annual report. "We had expected that the strong demand for container shipping services in FY2021 would be sustained through FY2022, and managed to secure the renewal of expiring charters well in advance to ensure vessel availability without service disruption.

"This enabled us to add new services and restructure existing ones to meet the needs of customers in high-demand areas. As a result, we were able to turn in a 28.5% increase in container volume handled over FY2021 at a reasonable cost," he says.

In FY2022, Samudera Shipping reported a record revenue of US$990.6 million ($1.36 billion), up 88% y-o-y. Earnings increased by 150% y-o-y to US$322 million. To reward shareholders, the company declared a total FY2022 dividend of 32 cents, up from 14 cents in FY2021 and 1.05 cents in FY2020.

However, the company is careful not to get carried away.

SAMUEL ISAAC CHUA/THE EDGE SINGAPORE

Chairman Masli Mulia, chairman of Samudera Shipping Line. The container shipper is the overall winner in this sector for making a clean sweep of all three categories

"The past two financial years were exceptional for Samudera and our achievements affirm the soundness of our operational strategy and financial stability. Nonetheless, the shipping industry and operating environment are highly dynamic and volatile with geopolitical and economic headwinds already weighing down on trade activity by the end of 2022," says Masli.

Meanwhile, bunker costs are seen to remain high because of ongoing geopolitical tensions. "We believe, however, that we are in a better position than ever to deal with the challenges that lie ahead. We will remain alert to changes in market and industry conditions and will respond with speed and flexibility as cargo demand begins to normalise towards pre-pandemic level," he adds. E

CENTURION CLUB: BANKING & INVESTMENT SERVICES + COLLECTIVE INVESTMENTS + FINTECH & INFRASTRUCTURE + INSURANCE

Sing Investments tops sector; Silverlake Axis maintains regional growth mettle

GROWTH IN PAT OVER THREE YEARS
Sing Investments & Finance

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sing Investments & Finance

WEIGHTED ROE OVER THREE YEARS
Silverlake Axis

OVERALL SECTOR WINNER
Sing Investments & Finance

Flashy upstarts in the financial services sector may gain instant fame. However, it is the established ones trusted by generations of customers that make a lasting name for themselves.

One example is Sing Investments & Finance. Founded in 1964, which is a year before Singapore's independence, the company has dominated the banking & investment services sector, winning growth in profit after tax (PAT) and returns to shareholders, plus the overall sector winner title. Only Silverlake Axis, with its weighted return on equity (ROE) win, prevented it from making a clean sweep.

Sing Investments was listed in 1983 and provides a wide range of financial services to both retail and enterprise customers via its network of four branches at 96 Robinson Road, Ang Mo Kio Avenue 6, Bedok North Street 1 and Jurong Gateway Road.

Services offered to individuals range from fixed deposits and current accounts to personal financing and car loans while services including financing, property loan and invoice factoring are available for its enterprise customers, most of which are SMEs. Not to be outdone in fintech, Sing Investments also offers its customers the ease of transacting via its own digital apps and platforms.

In FY2022 ended December 2022, the company achieved record earnings of $37.2 million for the second straight year, up 18% y-o-y. "The group has once again demonstrated great resilience in responding to challenges and continues to scale new heights on multiple fronts amid uncertainties," says chairman Chee Jin Kiong. "Our performance was driven by writeback of loan recovery, net interest margin expansion and record lending volume," he adds.

SING INVESTMENTS & FINANCE

The company, with its main office at Robinson Road, has built up a loan book of more than $2 billion

"By staying focused on cultivating meaningful relationships with customers, we continue to grow our franchise against the backdrop of weaker business sentiment this year. Our loan book grew by 12% to cross $2.4 billion for the first time in our history," says Chee.

Despite a higher debt servicing burden because of the higher global interest rates, the company's asset quality remained resilient, with non-performing loan ratio improving to 1.1% from 1.7% a year ago. The writeback of $6.5 million in net loan recovery came from a single business customer.

In line with the better earnings, it has declared a first and final dividend of 10 cents, equivalent to a payout ratio of 43% and up from 8 cents in FY2021. In addition, Sing Investments announced a bonus issue of one share for every two existing shares held.

The other winner in this category is Silverlake Axis, a leading provider of software and tech services to the financial services industry across the region. The Malaysia-based firm was founded in 1989 by group executive chairman Goh Peng Ooi, who has a passion for mathematical concepts and theorems. In just seven years, Silverlake Axis has won over 16 banking clients. Listed in 2003, the group has grown its presence from Asean to the Middle East and even Africa in about 70 countries and serves more than 400 customers in total.

"Over 34 years of evolution, we have grown from a single-product core banking company to a multi-product solution software company and we have accomplished that deliberately and methodically without the need to acquire or leverage our balance sheet to develop these solutions," says Ooi in the company's annual report for FY2023 ended June. E

CENTURION CLUB: CYCLICAL CONSUMER PRODUCTS + CYCLICAL CONSUMER SERVICES

BRC Asia reaps synergies from Lee Metal acquisition

GROWTH IN PAT OVER THREE YEARS
Asian Pay Television Trust

RETURNS TO SHAREHOLDERS OVER THREE YEARS
BRC Asia

WEIGHTED ROE OVER THREE YEARS
Kimly

OVERALL SECTOR WINNER
BRC Asia

Thanks to higher commodity prices and investor interest, steel supplier BRC Asia won the best returns to shareholders category with a CAGR of 14.6% and is the overall sector winner as well. Asian Pay Television Trust, meanwhile, came out tops for growth in profit after tax (PAT) while coffee shop operator Kimly was recognised for the highest weighted return on equity (ROE).

BRC Asia, a regular Centurion Club winner, can trace its roots back to 1938 as Malayan Wire Mesh & Fencing Co. It was listed in 2000 and following the acquisition of Lee Metal Group in 2018, became the largest total reinforcing steel solutions manufacturer worldwide.

Over the years, BRC Asia's products have been used in notable projects such as the National Library of Singapore, Marina Bay Financial Centre, Marina Bay Sands, Pinnacle @ Duxton and Gardens by the Bay. It has manufacturing facilities across Singapore, Malaysia and China. BRC Asia can hold more than 250,000 metric tonnes of steel at any one time, which gives it a lot more flexibility in the management of its inventory, which is exposed to the vagaries of demand.

BRC Asia chairman Teo Ser Luck notes that due to the disruptions caused by the pandemic, the company's FY2022 ended Sept 30, 2022, was the first year the company was able to derive "many of the synergies" and economies scale envisaged from acquiring Lee Metal, ranging from procurement to sales, credit control, logistics and production.

Coupled with record volumes and higher prices, BRC Asia was able to report record revenue of $1.17 billion for FY2022, up 45% y-o-y. Earnings almost doubled to $90.2 million. The company has declared a total FY2022 payout of 18 cents, representing a payout ratio of 54%.

ALBERT CHUA/THE EDGE SINGAPORE

BRC Asia's products have been used in key projects such as the Marina Bay Financial Centre, Marina Bay Sands and Gardens by the Bay

Asian Pay Television Trust (APTT) is the first listed business trust in Asia focusing on pay TV and broadband Internet. While APTT has an investment mandate to take stakes and operate pay TV and broadband businesses in Taiwan, Hong Kong, Japan and Singapore, its sole investment is Taiwan Broadband Communications (TBC) Group.

According to APPT, TBC's network covers more than 1.3 million households. This high degree of coverage creates a high barrier of entry to potential competitors. From 2012 to 2022, TBC's franchises experienced a 1.84% CAGR in the number of households, versus Taiwan's national average of 1.05% in the same period.

TBC claims to have a resilient business model with an efficient cost structure and a subscription-based business model where most payments are made in advance. By cross-selling and bundling broadband and premium digital TV services, it hopes to achieve higher average revenue from each subscriber.

Kimly, a leading operator of coffee shops in Singapore, is the winner in the ROE category, generating 26.3% in the three years under consideration. Besides owning and operating coffee shops directly, the group also leases some of them out to other operators.

As at 1HFY2023 ended June, Kimly managed a total of 84 food outlets, 170 food stalls, 10 Tonkichi and Tenderfresh restaurants, and four Tenderfresh kiosks across Singapore.

The company was listed on the Singapore Exchange in 2017. Since then, it has expanded both organically and via acquisitions too, as in the case of third-party halal F&B businesses and brands. E

CENTURION CLUB: FOOD & BEVERAGES + RETAILERS

Cortina rides luxury watch boom; Bumitama Agri ekes out higher yields

GROWTH IN PAT OVER THREE YEARS
Bumitama Agri

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Cortina Holdings

WEIGHTED ROE OVER THREE YEARS
Cortina Holdings

OVERALL SECTOR WINNER
Cortina Holdings

Cortina Holdings, the homegrown luxury watch purveyor, is the clear winner among retailers. Not only did it end up tops in two categories — weighted return on equity (ROE) and returns to shareholders — it took home the overall sector title too.

Cortina is riding on a recent boom in the demand for luxury timepieces. In FY2023 ended March 31, the company reported revenue of $826.6 million, up 15% over FY2022, thanks to a strong increase in the demand for luxury timepieces.

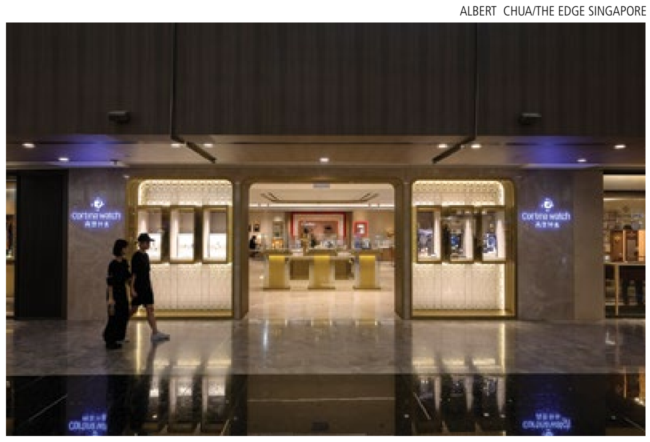
Earnings in the same period came in at just over $69 million, up 4% y-o-y from $66.7 million. As at March 31, Cortina's net asset value was $2.197 per share, up from $1.90 per share as at March 31, 2022. To reward shareholders for yet another strongly profitable year, the company paid a final and special dividend of 2 cents and 14 cents respectively.

Cortina was founded more than half century ago by Anthony Lim, who is the company's executive chairman. He is joined on the board by his sons Raymond and Jeremy, who are group CEO and group COO, respectively.

Besides organic growth, Cortina has been making acquisitions too. Most notably, Cortina bought Sincere Watches which continues to operate under its own distinct branding. "With Cortina's support, Sincere Watch made headway in its brand strategy of engaging directly with boutique brands. This resulted in a notable enlargement of the portfolio, with several independent watchmakers entrusting their collections to us," says Cortina.

Cortina cautions that growth in the current year might soften, no thanks to inflation and the effect of the war between Ukraine and Russia. "Nevertheless, our robust balance sheet, strong cash position and healthy operational cash flow stand us in good stead to safeguard against external events," the company maintains.

ALBERT CHUA/THE EDGE SINGAPORE



Cortina, a leading luxury watch seller in the region, was founded more than 50 years ago by executive chairman Anthony Lim

Bumitama Agri, a regular winner at the Billion Dollar Club (BDC) awards, is back again. The Indonesia-based palm oil company was founded back in 1996 and was listed here on the Singapore Exchange in 2012. Five years before its listing, Malaysia's palm oil giant IOI acquired a stake of 33%. As at end of 2022, its total planted area of 187,628ha is spread across Central Kalimantan, West Kalimantan and Riau.

With constant R&D and using the best cultivation practices, Bumitama Agri says it aimed for higher yields and extraction rates, giving it a crude palm oil (CPO) yield of 4.8 tonnes per ha in 2022.

Over the past decade, Bumitama Agri's CPO production volume increased at a CAGR of 9.9%, which helped grow its revenue more than fivefold from 2011 to 2022 or a CAGR of 17%. Earnings grew at 12.7% CAGR over the same period.

The company maintains a low net gearing ratio of 0.23x and pays out 40% of its earnings as dividends. Its most recent full-year payout for FY2022 of 7.8 cents was a record and more than double the eight-year average. "The rising dividend payment over the years is a good indication of our commitment to pursue long-term value maximisation to shareholders," says Bumitama. E

CENTURION CLUB: HEALTHCARE SERVICES + PHARMACEUTICALS

Riverstone focuses on cleanrooms; Hyphens Pharma rides dual growth

GROWTH IN PAT OVER THREE YEARS
Riverstone Holdings

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Hyphens Pharma International

WEIGHTED ROE OVER THREE YEARS
Riverstone Holdings

OVERALL SECTOR WINNER
Riverstone Holdings

Malaysia-based but Singapore-listed Riverstone Holdings has somehow managed to deal with softening demand for gloves, masks and personal protection equipment (PPE) better than many of its peers.

For the three years under consideration, Riverstone, under executive chairman and CEO Wong Teek Son, was the winner for growth in profit after tax (PAT), weighted return on equity (ROE) and the overall sectors.

Riverstone was founded in 1991 and listed on the Singapore Exchange in 2006, specialising in the manufacture of cleanroom and healthcare gloves, finger cots, cleanroom packaging bags and face masks. Customers include major players in the electronic and healthcare industries.

When the pandemic struck, the glove-making industry was "blindsided" by the surge in demand for gloves, masks and PPE. This, in turn, drove up sales, average selling prices and earnings of glove-makers and, ultimately, their share prices. Big new capacity were added in anticipation of sustained demand but with the pandemic no longer a public health emergency, demand for such equipment have normalised.

As noted by Wong in the most recent annual report for FY2022 ended December 2022, consolidation in the glove sector has resulted in demand and price normalisation. As such, its revenue dropped to RM1.26 billion ($363 million) in FY2022 from RM3.08 billion in FY2021 while earnings dropped to RM314.40 million from RM1.42 billion in FY2021.

THE EDGE SINGAPORE

Wong expects the glove industry to undergo consolidation in the coming years

Still, Riverstone managed to maintain its net margins at 24.96% in FY2022. Overall, both top and bottom lines for FY2022 were still higher than before the pandemic. For the three years under consideration for this year's Centurion Club, Riverstone reported profit after tax (PAT) growth at a CAGR of 34.1% and a weighted return on equity (ROE) of 42.6%.

Riverstone now runs five manufacturing facilities in Malaysia, Thailand and China while maintaining a network of sales offices and strategic partners in Asia, the Americas and Europe, as exports account for more than 80% of its sales.

Wong cautions that the market for healthcare gloves might see consolidation in the coming years because of overcapacity. On the other hand, his cleanroom gloves business has performed better despite a weaker second half caused by the slowdown in the electronic and semiconductor sectors. The average selling price of high-end cleanroom gloves remains stable due to their customised nature which requires in-depth knowledge and experience to develop and manufacture, which is where Riverstone will focus on, he adds.

Hyphens Pharma International, led by executive chairman, executive director and CEO Lee See Wah, is a homegrown healthcare company that helps distribute speciality drugs, sells its proprietary products and has interests in various digital platforms serving the healthcare industry.

Hyphens Pharma was listed in 2018. In FY2022 ended December 2022, revenue grew at a CAGR of some 8.8% while earnings grew at a faster pace of 20.5%. In its FY2022 annual report, Lee says the result is an indication that his organic and inorganic growth strategies have borne fruit.

While the company is relatively new as a listed entity, parts of its business have had a long lineage. For instance, Pan-Malayan Pharmaceuticals has been managing its wholesale business since the late 1940s. Hyphens Pharma also operates WellAway, described as Singapore's first and only HSA-registered e-pharmacy where registered doctors can give e-prescriptions and have the prescribed medicine delivered to the home of patients.

"As part of our long-term growth strategy, we have been and will continue to be prudent and disciplined in our approach to acquisitions, seeking out opportunities that are accretive for our business and in alignment with our strategic goals," says Lee. E

CENTURION CLUB: INDUSTRIAL & COMMERCIAL SERVICES + INDUSTRIAL GOODS

Civmec is overall winner; Sarine and Micro-Mechanics share honours

GROWTH IN PAT OVER THREE YEARS
Civmec

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sarine Technologies

WEIGHTED ROE OVER THREE YEARS
Micro-Mechanics (Holdings)

OVERALL SECTOR WINNER
Civmec

Australia-based engineering contractor Civmec is the big winner in the industrial & commercial services sector. Besides winning growth in profit after tax (PAT), it has been named the overall sector winner as well.

Civmec started operations in 2009 and serves clients in the energy, resources, marine, infrastructure and defence sectors by providing them with its engineering expertise.

The company derives its biggest share of revenue from the resources sector in Australia. Its operations are mainly sited in Henderson, Western Australia, with other facilities at Newcastle, New South Wales. It has a headcount of more than 3,400 people and is adding new capacity.

In Civmec's annual report for FY2023 ended June 30, executive chairman James Fitzgerald says the fiscal year has been a "stellar" one with a record order book of A$1.15 billion ($997 million). Revenue in FY2023 hit A$830.9 million, A$21 million higher than in FY2022 while earnings rose 13.7% y-o-y to a record A$57.7 million.

Civmec attributes the stronger business to a sustained and growing increasing demand for local manufacturing, boosted by ongoing public and private sector spending. According to Civmec, an increasing number of its clients recognise the benefits of local production and the assurance this provides, particularly in light of global events, movement restrictions, and their associated costs over the past few years.

In addition, instead of going after one project at a time, Civmec prefers to take on a bigger proportion of work that provides recurring revenue, thus giving the company better earnings visibility. "With our current market position, we have an opportunity to be more strategic in our tendering processes, focusing on opportunities with established clients that require our multidisciplinary capabilities in proven delivery models," says Fitzgerald.

CIVMEC

Civmec is eyeing new businesses from the green energy sectors

In line with a stronger focus on sustainability, the company is exploring opportunities such as those in the green energy sectors of hydrogen and lithium too. "I believe we are very well positioned to capitalise on emerging opportunities," adds Fitzgerald.

Israel-based Sarine Technologies is the winner when it comes to providing the best returns to shareholders. Just like how Civmec is dual-listed in Australia, Sarine, which is in the niche business of providing equipment and know-how to grade diamonds, is listed in Tel Aviv too.

Sarine is constantly pushing the technological boundaries. It has set up the Sarine Technology Lab, the first automated, artificial intelligence-based diamond grading lab. The lab provides the world's most accurate, reliable diamond grading information in an interactive digital display that is redefining the retail industry and the consumer experience.

Micro-Mechanics (Holdings), a well-established name in the manufacturing sector, took home the highest weighted return on equity (ROE) category.

The company, which designs, manufactures and markets consumable parts and precision tools used to assemble and test semiconductors, can trace its roots to 1983. It was listed on the former SGX-Sesdaq board in June 2003 before an upgrade to the mainboard in 2008. In the last semiconductor upcycle, Micro-Mechanics enjoyed a strong lift in its business as well. E

CENTURION CLUB: REAL ESTATE

PropNex repeats clean sweep for second year

GROWTH IN PAT OVER THREE YEARS
PropNex

RETURNS TO SHAREHOLDERS OVER THREE YEARS
PropNex

WEIGHTED ROE OVER THREE YEARS
PropNex

OVERALL SECTOR WINNER
PropNex

PropNex, the largest real estate agency in Singapore, has again made a clean sweep following its similar feat last year. PropNex has been named the winner for profit after tax (PAT), weighted return on equity (ROE) and returns to shareholders, before being crowned overall sector winner.

The company was officially incepted in 2000 with around 3,000 salespersons. As at March 15, this number has surged to 11,896 salespersons, helping their clients broker all kinds of real estate types. PropNex offers training and consultancy services as well.

In FY2022 ended Dec 31, 2022, PropNex says it has taken the lead in real estate agency services, with substantial market share in the residential segments of new project launches, private resale, HDB resale and rental including commercial and industrial properties.

As an industry leader, PropNex constantly strives as first to introduce new initiatives, especially in technological innovations with an emphasis on improving the productivity of its salespersons to better serve clients.

Throughout the years, the company has chalked up numerous milestones and industry-firsts. In 2016, it ventured overseas for the first time to Indonesia. The following year, it expanded into Malaysia and also merged with the Dennis Wee Group to form Singapore's largest real estate agency.

PropNex was listed on the Singapore Exchange in 2018. The same year, it expanded into Vietnam, its third overseas market.

PROPNEX

PropNex chairman Ismail Gafoor calls the most recent FY2022 earnings 'no mean feat'

In 2021, PropNex became the first real estate agency here to have more than 10,000 salespersons in Singapore and this number hit more than 12,000 the following year. "PropNex has proven to be the preferred agency of choice by clients and salespersons and we remain on track in realising our vision of having 15,000 PropNex salespersons by 2025," says Ismail Gafoor, co-founder, executive chairman and CEO in his FY2022 ended December 2022 annual report.

In FY2022, PropNex reported revenue crossed $1 billion to reach $1.03 billion from $957.5 million. Earnings in the same period were up by 6.4% y-o-y $65.4 million.

Gafoor notes that the financial results in FY2022 were "no mean feat" given how the market has been hit with two rounds of cooling measures introduced on Dec 16, 2021, and Sept 29, 2022. As at Dec 31, 2022, the company held a cash balance of $138.9 million. For FY2022, it declared a total dividend payout of 13.5 cents, representing a payout ratio of 80%.

In addition, PropNex announced a one-for-one bonus issue, which was its first ever. "The group has always held firm to our long-term strategy to broaden the distribution of PropNex's shares to more investors, alongside a continued commitment to encourage trading liquidity. This is the first bonus share issue that PropNex has undertaken and this exercise reflects our belief in the opportunities for PropNex's long-term growth and expansion," adds Gafoor.

According to Gafoor, PropNex's position as a front-runner in the industry is largely made possible by the company's "progressive corporate culture" where the management is constantly seeking improvement. E

THE EDGE SINGAPORE BILLION DOLLAR CLUB 2023

CENTURION CLUB: REITs

Sasseur REIT takes overall sector win with outlet mall focus

GROWTH IN PAT OVER THREE YEARS
Sabana Industrial REIT

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Sabana Industrial REIT

WEIGHTED ROE OVER THREE YEARS
Sasseur REIT

OVERALL SECTOR WINNER
Sasseur REIT

Sasseur REIT owns a portfolio of four outlet malls in China. The REIT was listed in March 2018 and its four outlets are Sasseur (Chongqing Liangjiang); Sasseur (Chongqing Bishan); Sasseur (Chongqing Bishan) and Sasseur (Kunming).

Its sponsor is the Sasseur Group, a leading premium outlet operator in China with 16 outlets under management — including the four outlets in Sasseur REIT's portfolio. As at Dec 31, 2022, the REIT's portfolio has a total net lettable area of 310,241 sqm with a valuation of RMB8.5 billion ($1.6 billion), with an occupancy of 97.2% with 9.6 million in annual shopper traffic.

In its FY2022 ended December 2022 annual report, Vito Xu Rongcan, founder of Sasseur Group and chairman of the REIT's manager, says 2022 was still a turbulent year for China's economy as it endured a third year of strict pandemic-related controls. "The rising pandemic-related disruptions across many Chinese cities during the year led to uncertainties over the economy, weighing heavily on consumption and investment," says Xu.

Xu notes that unitholders who invested in Sasseur REIT since its IPO have enjoyed a total return of around 37.7% as at end December 2022, outperforming that of the FTSE ST REIT Index (13.3%) and FTSE Straits Times Index (14.1%) for the same period. "We will strive to sustain our record of value creation for the long term for our unitholders," adds Xu.

He is confident that with the outlet sector's attractive value propositions as well as China's growing middle-class population segment, Sasseur REIT's outlets are well positioned to benefit from the government's focus to promote a consumption recovery as a major driver of China's economic growth this year.

SASSEUR REIT

A mall in Chongqing that is part of Sasseur REIT's portfolio

IREIT Global was listed nearly a decade ago back in August 2014. It is the first Singapore-listed REIT with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office, retail and industrial (including logistics) purposes as well as real estate-related assets.

Its portfolio now comprises five freehold office properties in Germany, five freehold office properties in Spain and 27 freehold retail properties in France. They have a total lettable area of about 384,000 sqm and the portfolio has an occupancy rate of approximately 88.3% and a valuation of about EUR950.5 million ($1.38 billion). The manager, IREIT Global Group, is jointly owned by Tikehau Capital and City Developments.

Formerly known as Sabana Shari'ah Compliant Industrial REIT, it was listed on the Singapore Exchange in November 2010 before the Shari'ah compliance was dropped in October 2021 and renamed as Sabana Industrial REIT. Its investment mandate is to principally invest in income-producing real estate used for industrial purposes in Asia as well as real estate-related assets. Sabana Industrial REIT owns a portfolio of 18 properties in Singapore worth more than $0.9 billion. The properties are in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. E

CENTURION CLUB: SOFTWARE & IT SERVICES + TECHNOLOGY EQUIPMENT

AEM and UMS on an upswing; Azeus gives best returns

GROWTH IN PAT OVER THREE YEARS
AEM Holdings and UMS Holdings

RETURNS TO SHAREHOLDERS OVER THREE YEARS
Azeus Systems Holdings

WEIGHTED ROE OVER THREE YEARS
AEM Holdings

OVERALL SECTOR WINNER
AEM Holdings

AEM Holdings, a regular winner at these awards, is back again, with its overall sector win. The company, which provides testing services for the semiconductor industry, came out tops for weighted return on equity (ROE) and shares the growth in profit after tax (PAT) win with another semiconductor play, UMS Holdings. IT services provider Azeus Systems Holdings, meanwhile, won for returns to shareholders.

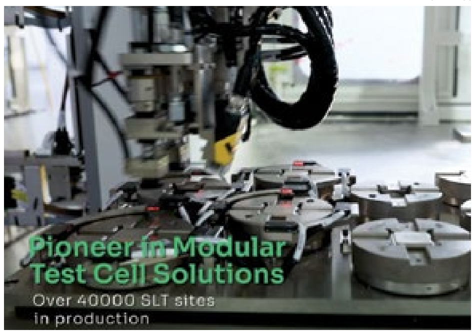
AEM is a global provider of semiconductor test solutions. Its comprehensive semiconductor and electronics test solutions cover multiple stages of the testing process over various testing types, for full-stack test capabilities for advanced engineering to high-volume manufacturing.

Over the years, AEM has built up a global presence across Asia, Europe and the US. Besides R&D centres in Singapore, Malaysia, Finland, France and the US. AEM operates manufacturing plants in Singapore, Penang, Batam, Ho Chi Minh City, Suzhou, and Lieto in Finland. In addition, it has a global network of engineering support, sales offices, associates, and distributors.

In the past few years, AEM, like many other companies in the semiconductor industry, was riding on the upswing of the industry cycle and reported record numbers for 1HFY2022 ended June 2022.

Since 2HFY2022, the industry has gone the other way though. AEM chairman Loke Wai San sums up the market dynamics in its annual report, saying 2022 "was a tale of two halves that were separated by meaningful shifts in the global macro environment".

AEM HOLDINGS



AEM operates a string of R&D and manufacturing facilities in different locations

"In the second half of 2022, the world started to exit its collective Covid mitigation with people returning to a more normal life of physical interaction and IT consumption. Governments pulled back previous monetary easing policies and inflation kicked in," says Loke, adding that the higher interest rates imposed by central banks to curb inflation resulted in a slowdown in discretionary spending, capital expenditure and a rush to reduce levels of inventory. "This swing of the pendulum to contractionary policies will likely normalise over the next nine to 18 months but not in time to make 2023 a year of growth for many," he adds.

However, for players who have been around for quite some time like AEM, industry cycles are the norm in the semiconductor industry. "Though ebbs and flows are common in the semiconductor industry, we believe the ongoing structural shift with the need for more semiconductors across multiple end markets will continue," says Loke.

In a rare development, UMS Holdings, another semiconductor company, jointly won the growth in the PAT category with AEM Holdings. UMS Holdings makes parts for semiconductor capital machinery but in recent years, it has diversified its exposure into other industry sectors to help offset the volatility. In FY2022 ended December 2022, its revenue and earnings hit record levels because of the semiconductor upturn.

In his FY2022 annual report, chairman and CEO Andy Luong acknowledges that the outlook has turned softer but is still upbeat about long-term growth prospects. "Our long-term outlook stays strong as we are well-poised to scale higher with our twin growth engines in semiconductors and aerospace. Both industries have bright futures and will be our key growth drivers in the years ahead," he says.

Azeus Systems, based in Hong Kong but listed in Singapore, has more than 30 years of experience in successfully delivering IT solutions. Over the years, it has built up a client base across Europe, Asia Pacific, America, Africa and the Middle East.

Throughout the years, Azeus has maintained an extensive track record of developing large and complex IT systems for the public and private sectors. Azeus delivered 250 IT projects to over 60 government departments and public authorities in Asia and Europe, including one announced in September to provide combined system development services for the business information solution kit for the Hong Kong Police Force. E

Fortress Minerals excels in the evolving mining industry

ALBERT CHUA/THE EDGE SINGAPORE

Fortress Minerals chairman and independent director Chew Wai Chuen (left) and executive director and CEO Dato' Sri Ivan Chee. "Winning this award is a collective effort from the whole group, especially our ground staff," adds Chee

Since going public, Singapore-listed Fortress Minerals has made significant strides in the mineral industry, doubling its production capacity since its listing in March 2019. It was the first iron ore company on the Singapore Exchange (SGX), raising $15 million in gross proceeds.

Committed to becoming a top regional commodities player, Fortress Minerals consistently pays out dividends exceeding 20% annually, reflecting its dedication to investors. Its prudent capital management has enabled organic growth, ensuring long-term stability and expansion.

Speaking to *The Edge Singapore*, chairman and independent director of Fortress Minerals Chew Wai Chuen says: "We are one of the leading miners in Malaysia, and since the early 2010s, we have been producing iron ore. Today, we produce high-grade iron ore from two producing assets, the Bukit Besi mine in Terengganu and the Cermat Aman (CASB) mine in Pahang."

The group focuses on maximising efficiency in its current assets. Dato' Sri Ivan Chee, executive director and CEO of Fortress Minerals, outlines the group's significant acquisition and production milestones. The group obtained the mining rights to Bukit Besi in 2016, initiating production in 2018. Fortress Minerals acquired Fortress Mengapur in April 2021, encompassing two mines: CASB and Star Destiny (SDSB) mine. The CASB mine commenced production in July 2022, while the SDSB mine is undergoing exploration.

In FY2020, which ended in February 2020, the Bukit Besi mine expanded its processing capacity with new machinery. The group improved production at the CASB mine in Mengapur, aiming for high-grade iron ore, copper and pyrrhotite concentrate. The group also emphasises disciplined cost management for business sustainability while investing in the group's future for long-term shareholder value.

Delivering returns

Fortress Minerals took home the highest return on equity (ROE) award under the mineral resources sector in this year's Centurion Club by *The Edge Singapore*. Chee says: "Winning this award is a collective effort from the whole group, especially our ground staff. Every single person in the company has contributed meaningfully."

Chairman and independent director Chew adds: "Since listing, we are happy to have provided shareholders strong returns on equity and dividend payouts which were in line or above our targets. At the same time, we have continued balanced and prudent through-the-cycle investing to capture opportunities and to support long-term shareholder value."

For the past three final year periods (FY2021 to FY2023), the group has managed to sustain a dividend payout of over 20% to shareholders. This was despite earnings declining due to a lower average realised selling price and rising production costs driven by inflation.

Chee says that while the group does not have a formal dividend policy, the form, frequency and amount of future dividends on the company's shares will depend on several factors like the group's earnings and operational performance, general market environment, dynamics and pricing of the commodities market and the macro environment, amongst others.

"We appreciate our shareholders' trust and support in the group. We strive to balance dividend payouts with our business expansion plans to ensure that we have the financial strength to build a strong pipeline to support long-term shareholder value growth," adds Chee.

In mid-2021, the group experienced a surge in its share price, peaking at 75 cents per share. This was due to various positive factors, such as robust iron-ore prices, heightened production volume, sustained demand, cost efficiency, and substantial revenue growth.

While the group's share price stands at 27 cents, 28.6% higher than its IPO price, Chee is optimistic about Fortress Minerals' future and aims to manage what the group can control, particularly their production costs.

Broadening horizons

The group's outlook and foresight have paid off. In FY2022, they demonstrated strategic foresight by acquiring Fortress Mengapur, covering 951.68 hectares over the two mines. By effectively utilising their Mengapur and Bukit Besi operations, they have harnessed synergies, including expertise and downstream distribution lines, to meet their customers' specific demands. Acquiring new prospecting licenses also helps diversify revenue streams and expand their commodities profile.

On March 6, the group announced that its subsidiaries — 65%-owned Saga Mineral and 51%-owned Kencana Primary — were granted new prospecting licences in the Telupid and Tongod areas of Sabah, East Malaysia, to prospect for nickel, copper and cobalt minerals. Chee adds that exploration at the Sabah projects commenced in May 2023, and the group continues to identify and quantify the economic minerals.

Growth prospects

Approving two new prospecting licenses in East Malaysia sets the stage for the group's growth phase, targeting stable returns and enhanced shareholder value. The group's sustainable portfolio expansion efforts further reinforce its growth prospects. "We are still in phase one and performing geological mapping, geochemistry and geophysical survey. It is still early days. We will update the market on the progress of our exploration as and when there are material developments," says Chee.

Fortress Minerals also ensures resilience by actively and prudently pursuing growth opportunities for its commodities portfolio, emphasising regional acquisitions, joint ventures and mining services. "Strategic growth and diversification support our aim to become a significant regional commodities player. With our strong cash flow generation, we are well placed financially to pursue opportunities in a disciplined and prudent manner," adds Chee.

Diversification remains a key part of Fortress Mineral's strategy, which also plays into key themes such as the decarbonisation of the steel industry and the energy transition. As part of its expansion strategy, the group aims to diversify into various commodities like manganese, copper, nickel, cobalt, zinc, lead, tin, chromite, tungsten, gold, silver and other minerals.

"At the CASB mine, other than iron ore, there are significant indicated and inferred mineral estimates of copper as well. We are also looking for nickel, copper and cobalt at the Sabah projects. This diversification into various minerals enables the group to expand its revenue streams and broaden our growth prospects for the long-term," says Chew, adding that the group's diversification efforts provide it with opportunities for sustainable growth and adaptation to the changing market dynamics.

"I feel positive about our outlook. With our high-grade iron ore, the demand in Malaysia is more than the supply. Here, we supply iron ore to two domestic steel mills with which we have signed long-term contracts. They seem to take up the iron ore immediately after we produce," adds Chee, despite pointing out current inflationary pressures and rising costs.

Their journey is inspiring for those pursuing growth, resilience and success. Their steadfast strategy, prudent investments and community engagement have paved the way to enhance shareholder value. With its robust capabilities and competitive edge, Fortress Minerals is confidently navigating the ever-evolving mineral industry. E

PROPNEX

Seated (from left): Benjamin Tan (Agency Vice President, Business Strategy), Ken Ng, (Agency Vice President, Business Development), Marcus Luah (Agency Vice President, Business Growth), Ismail Gafoor (Executive Chairman & CEO), Kelvin Fong (Executive Director & Deputy CEO), Eddie Lim (Chief Agency Officer), Cijay Tew (Agency Vice President, Training & Development), Bobby Sng (Agency Vice President, Leadership Development).

Standing (from left): Carolyn Goh (Senior Director, Corporate Communications & Business Development), Michael Koh (Chief Technology Officer), Josephine Chow (Chief Operating Officer), Alan Lim (Co-founder & Director), Kenny Tan (Senior Director, Branding & Marketing), Lim Yong Hock (Key Executive Officer), Lee Li Huang (Chief Financial Officer), Alvin Tan (Executive Director, PropNex International)

PropNex blazes a trail in Centurion Club 2023

PropNex is celebrating its fifth year as a listed company this year, and *The Edge Singapore* has given it more reasons to honour the occasion.

PropNex stood out among the real estate companies in the Centurion Club 2023, which ranks listed companies with market capitalisation between $100 million and $999 million.

It swept awards for the highest returns to shareholders over the past three years, growth in profit after tax over the past three years and weighted return on equity over the past three years. PropNex is also the overall sector winner in the real estate category.

Last year, PropNex also had the highest scores and won awards across all categories in the real estate sector, emerging as the overall sector winner. On top of that, PropNex was crowned the overall winner of the Singapore Centurion Club 2022 — beating all other sector winners.

PropNex shares made its debut on the Singapore Exchange on July 2, 2018 at 68.5 cents, 5.4% above its offer price of 65 cents. Five years on, its share price rose to 82.5 cents on October 30, 2023, reflecting an appreciation of 153.8% from its offer price of 65 cents (32.5 cents after considering the one-for-one bonus issue completed in May 2023). Market capitalisation stood at $610.5 million on October 30, 2023.

What makes it more memorable is that the group achieved all these wins despite the market challenges that beset the real estate sector, starting with the rollout of one of the harshest sets of property cooling measures on July 5, 2018, 72 hours after PropNex's listing.

In hindsight, Ismail Gafoor, CEO of PropNex, considers the property agency's listing serendipitous. "Had the company not listed when it did, we may have delayed it or perhaps not listed it at all," he says.

Gafoor attributes PropNex's consistent performance to the management team's commitment to adding value to the company's stakeholders, namely property developers, salespersons, consumers and shareholders. "And we remain committed to doing the right thing," Gafoor asserts.

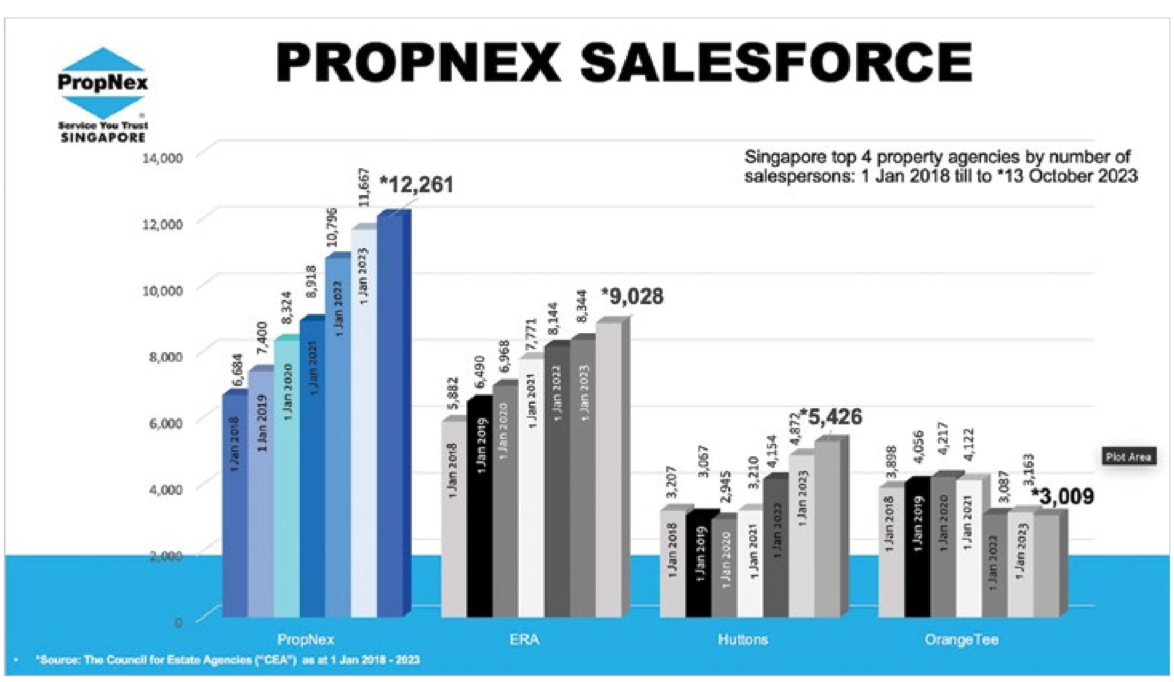
After the property cooling measures were announced on July 5, 2018, the share price of many real estate companies plummeted. PropNex's share price was likewise not spared. It nosedived to 52 cents at the close of July 6, 2018.

This round of property cooling measures saw a hike in additional buyer's stamp duty (ABSD) for residential property investors and developers. It caused a paradigm shift in the property market. More property cooling measures followed, with ABSD for foreigners increasing to 30% on December 16, 2021, and doubling to 60% on April 27, 2023.

Empowering its salespersons

The success of new residential development launches increasingly hinges on the sales strategies to sell off all units within an optimal timeframe before the five-year ABSD remission period. It is also about achieving specified price benchmarks.

PropNex has embarked on several initiatives and programmes to strengthen its position as the agency of choice for developers. The first was to grow its sales force, which has almost doubled from 6,684 on January 1, 2018, to 12,261 on Oct 13, 2023, establishing itself as Singapore's largest real estate agency by the number of salespersons.



The company recognised that the best way to navigate the cooling measures is to train its salespersons to provide value-added services to our clients. "It became increasingly necessary to equip them with the skills to achieve positive sales outcomes with every successive round of cooling measures," notes Gafoor.

The Covid-19 pandemic in 2020–2021 brought its own set of challenges and accelerated the digital disruption in the real estate industry. During the two-month circuit breaker when salespersons could not go out to meet clients, Gafoor and Kelvin Fong (Executive Director & Deputy CEO) led the way by conducting webinars and empowering PropNex salespersons to conduct virtual property viewings via social media platforms. "By getting our salespersons to navigate in the digital space, they were able to close deals during the circuit-breaker," he says.

Over the five years from 2018 to 2023, PropNex has grown its market share across all sectors:

- HDB resale to 65.1%, from 53.1%;
- Private resale to 59%, from 34.2%;
- New project launches to 47.4%, from 42.6%;
- Landed resales to 47.1%, from 29.9%;
- Private leasing to 37.3%, from 25.9%.

PICTURES: PROPNEX

The PropNex Wealth System Masterclass has already reached an attendance of close to 1,000 at each session

The PropNex Monopoly was included as a family bonding game in 2023 National Family Week

Working closely with developers

PropNex salespersons have been selling the most number of units at new project launches, further cementing its lead position.

"We work closely with developers to strategise on price points and marketing concepts to help them achieve 100% sell-out within the timeline," says Gafoor.

PropNex is also committed to helping developers whose projects are nearing the five-year ABSD timeline, adds Gafoor.

No matter what the crisis — whether it is the Russia-Ukraine War or global market slowdown — PropNex always finds a value proposition to help developers.

The ongoing concern among homebuyers is the high-interest rate environment. For the past 10 years, Singapore has enjoyed low interest rates of 1% to 2%, but with interest rates above 4% at the start of 2023, homebuyers were naturally hesitant about making big-ticket purchases. The positive news is that interest rates have come down to 3% in October 2023.

Prices of new project launches have also been hitting new benchmarks, with those in the Outside Central Region (OCR) achieving prices above $2,000 psf and those in the Rest of Central Region (RCR) in the $2,500 psf range.

"Such prices are unprecedented," says Gafoor. "It leads to a whole new way of looking at real estate from a consumer's and salesperson's standpoint."

Gafoor adds: "How then can a salesperson advise a client navigating a real estate market where prices have hit new benchmarks and interest rates are at their highest in over a decade?"

Value-add through technology tools and training

"The future of the real estate agency business depends on the relevance of the salespersons," says Gafoor. "In the era of digital disruption, the million-dollar question is: how can salespersons provide the right value-added services?"

PropNex has embraced technology and artificial intelligence (AI) and integrated them with its proprietary mobile applications: PropNex Sales Suite, PropNex Investment Suite and PropNex Business Suite.

"We look at things not from the tech lens but from the salespersons' perspective," says Michael Koh, PropNex's Chief Technology Officer. "We understand the challenges the salesperson faces, even when it comes to just writing a simple social media post."

Before OpenAI and other third-party tools were integrated and implemented, the tech development team discussed with the salespersons to find out what would be useful to them. Tweaks were made along the way to enhance the tech tools.

Embedded within the Business Suite app is a brand new module "Templates.AI", engineered with the ChatGPT OpenAI to empower the salesperson to write social media posts and property descriptions for their property listings.

"Armed with OpenAI and proprietary PropNex data and tools, we can provide a full suite of social media copy to help the agents connect with their clients," says Koh.

PropNex has also provided a platform within the Sales Suite where agents can simultaneously upload their listings on multiple independent platforms instead of having to create multiple listings on multiple platforms. "ChatGPT will also help them in creativity and language for their multiple social media posts," adds Koh. "The tool also helps make their writing sound more convincing and compelling to achieve results. It's a very holistic approach."

High adoption rate

Beyond having a strong tech support team with a chief technology officer, there is also a tech committee of eight young and tech-savvy salespersons who will meet up regularly and discuss via PropNex (PN) Chat or PN Messenger about what is happening in the real estate market, where the pain points are, and how the tech could be improved to ease some of these pain points.

"Given the amount of money we are spending on tech, we want to make sure that it is something that the agents will find useful, and will indeed use," says Gafoor.

Since introducing these apps, about 75% of the salespersons have adopted them. The high adoption rate is due to PropNex's commitment to training its salespersons to use the apps.

Consumer outreach

When it comes to consumer seminars and outreach programmes, the PropNex Wealth System Masterclass has already reached an attendance of close to 1,000 at each session.

PropNex has also committed millions over the past two years in marketing costs for the specially curated PropNex monopoly board game based on Singapore's real estate scene and incorporating local property cooling measures. It helps consumers understand the potential pitfalls of investing in property at the game board before they venture out to make property investments in real life.

Over the past two years, more than 10,000 consumers have participated in the PropNex Monopoly Championship. The PropNex Monopoly was included as a family bonding game in the 2023 National Family Week, as more than 1,400 consumers played the game over the weekend. "PropNex remains committed to furthering the national financial literacy," says Gafoor.

In addition, PropNex continues to be committed to:

- Developing tech to empower its salespersons to greater productivity;
- Growing its market share;
- Providing real-time transaction data that is superior to other platforms, given the size of its sales force;
- Training PropNex's salespersons in understanding the overall real estate market and the current challenges;
- Consumer seminars and outreach programmes such as PropNex Wealth System Masterclass and PropNex Monopoly Championship;
- Working closely with stakeholders such as developers to determine the right sales strategy and price points for success at project launches.

According to Gafoor, PropNex is the common link connecting all the stakeholders in the real estate market — from consumers to salespeople to developers — via its tech, training and marketing outreach programmes.

The listed real estate agency is also committed to going green. It has planted 150 trees this year and will plant 50 more in November.

The company is helping the environment by using less paper. It is digitalising all its forms and all 12,261 PropNex salespersons have switched to NFC (near field communication) e-business cards. "We want to go green and be a socially responsible listed company for future generations," says Gafoor. E

PropNex is committed to going green and has planted 150 trees this year. It will plant 50 more trees in November

For more information:

Riverstone pursues cleanroom gloves as healthcare demand normalises

Demand for gloves from the healthcare sector continues to moderate from the extraordinary highs seen during the pandemic, but one glove manufacturer believes its business remains robust thanks to its customers from one particular sector: the electronics and semiconductor industry.

Gloves designed for use in this area are highly customised and require in-depth design knowledge and manufacturing experience, says Wong Teek Son, executive chairman and chief executive officer of Riverstone Holdings. "Having been in the business for over 30 years, our cleanroom products possess a unique competitive advantage."

Riverstone's focus on cleanroom gloves comes as the glove sector is experiencing market consolidation and new competitors from China. This has resulted in falling selling prices and demand, says Wong, who co-founded Riverstone in 1989. In line with this industry-wide trend, the company's revenue declined to RM1.26 billion in FY2022 from RM3.08 billion in FY2021 while profit after tax dropped to RM314.4 million in FY2022 from RM1.42 billion in FY2021.

Following this period of consolidation, a full recovery could be on its way. The mainboard-listed company posted q-o-q growth in 2QFY2023 ended June, with gross profit up 4.7% q-o-q to RM64.8 million ($18.7 million) and net profit up 0.3% q-o-q to RM46.9 million. Revenue for the quarter, however, fell 5.8% q-o-q to RM224.2 million.

"Our long-term strategy to reconfigure our product portfolio is gaining good traction," says Wong. "In 2QFY2023, we saw a larger proportion of customised products sold to customers in the healthcare segment. These unique products are, on average, better-priced and can fetch higher margins for the business."

In addition to gloves, the company also manufactures cleanroom consumables, such as finger cots and face masks. Riverstone noted a decrease in orders for cleanroom gloves as end-demand for consumer electronics dropped. As a result, revenue and net profit fell 38.7% and 55.2% y-o-y for the 1HFY2023 ended June.

Nonetheless, the company expects the consumer electronics sector to recover from the near-term headwinds in the first half of 2024. "That, coupled with an improving product mix, will set us up for a stronger FY2024," adds Wong.

While earnings were not as strong as during the pandemic years, Riverstone, under Wong, has made it a point to reward shareholders. Diluted earnings per share (EPS) grew 0.3% q-o-q to 3.16 sen in 2QFY2023. In turn, Riverstone declared an interim dividend of 5 sen per share, translating to a dividend payout ratio of 79% based on 1HFY2023 net profit.

In FY2022, Riverstone distributed a total of 16 sen per share. In addition, the group also paid a special interim dividend of 8 sen per share and a final dividend of 10 sen per share, for a total of 34 sen.

At 24, 48 and 34 sen per share, Riverstone's dividend payouts during the pandemic years of FY2020 to FY2022 were much higher than its FY2019 distribution of 7.4 sen per share. "In FY2022, we continued to uphold our commitment to rewarding our shareholders with dividends premised on our strong balance sheet position," says Wong.

For its growth in profit after tax and weighted return on equity that has performed better than its sector peers over the past three years, Riverstone has been recognised as a winner in *The Edge Singapore*'s Billion Dollar Club Awards 2023, emerging also as the overall sector winner among listed companies in the healthcare services and pharmaceuticals industries.


RIVERSTONE HOLDINGS

Riverstone's Wong: We have cleanroom gloves and also, we are producing highly customised products for healthcare. So yes, there is tough competition, but we are still able to continue to grow and sustain our business going forward

"Even though there is very tough competition in the glove industry, we are different from others," says Wong to *The Edge Singapore*. "We have cleanroom gloves and also, we are producing highly customised products for healthcare. So yes, there is tough competition, but we are still able to continue to grow and sustain our business going forward."

Chinese competitors

Malaysia-headquartered companies like Riverstone have traditionally enjoyed a foothold in the nitrile glove manufacturing industry, while Chinese glove manufacturers produced PVC gloves, says Wong. "During Covid-19, they entered the nitrile [glove] market."

Most of these Chinese "newcomers", as Wong calls them, are employing a strategy to gain market share by sacrificing profit and selling at a loss.

As a result, some of these Chinese names have already surpassed established Malaysian manufacturers, breaking into the top five largest companies by production volume.

At the moment, there are too many healthcare glove manufacturers in the market, says Wong, and supply is greater than demand. Riverstone does not plan to compete with the Chinese "mass volume producers", says Wong. "They have a cost advantage in terms of energy costs; Malaysia uses gas while China still uses coal. Our manufacturing costs are higher by at least US$2 per thousand pieces of gloves."

Instead, Riverstone will focus on maximising profit, says Wong. "We focus on value-adding and [maintaining] certain profit margins for every glove that we sell."

The selling price of healthcare gloves is pegged closely to raw material prices. "Prices of related raw materials have reduced quite significantly in the second quarter of 2023; that's why the selling price fell and resulted in our lower revenue," says Wong.

Wong eyes a turnaround in 2H2024, subject to the "discipline" of manufacturers. "Under normal circumstances, distributors will start to make purchases when their stock has depleted. We think that in 2024, the situation will improve compared to existing market demand."

'Insulating' the company

Companies in the pharmaceutical and high-end electronics and semiconductor sectors require cleanroom gloves to protect sensitive products and devices from contamination, corrosion and electrostatic discharge.

Riverstone is an own-brand manufacturer (OBM), developing high-tech cleanroom gloves that are sold directly to customers via regional offices.

According to Wong, 25% of Riverstone's volume is shipped to the electronics and semiconductor industry, "mainly to Asia-Pacific countries, such as China, Japan and South Korea; as well as Europe and the US".

Riverstone is focusing on this niche to "insulate" the company from tough competition, especially from the competitors in China, says Wong.

2023 may not be a good year for the electronics and semiconductor industry, notes Wong, but according to reports by market intelligence firm International Data Corp, global smartphone, PC, and tablet shipments are projected to decline in 2023 but will subsequently rebound in 2024.

"But for us, we are not dealing with direct products, we are dealing with indirect products, [such as] gloves to protect their products. We have [experienced] some impact but the impact is not as serious as the manufacturers of direct parts."

Being a responsible business

Even as Riverstone rises to the challenges of the market, it has been paying attention to the wider environment. Product manufacturers like Riverstone face reputational and regulatory pressure to ensure their supply chains and operations are compliant with environmental, social and governance-related metrics.

Demand is growing for lower carbon footprint products as consumers are more aware of the effects of climate change, says Wong. "We believe that the sustainability of our business depends on our ability to produce innovative products that have minimal impact on the environment."

Riverstone's research and development team has been collaborating with suppliers to produce a latex formula that requires a lower temperature for curing. "With the new formula, the production process will consume less natural gas and electricity," says Wong.

Riverstone operates six manufacturing facilities across Malaysia, Thailand and China. The company aims to reduce energy use per 1,000 pieces of gloves by 2% each year, achieving at least a 10% reduction in energy intensity by 2025 from 2020 levels.

Riverstone uses biomass like wood chips and wood residuals to generate steam and provide heat to ovens and tanks at its dipping lines. At some manufacturing plants, the company also uses agricultural by-products, such as palm kernel shell, mesocarp and rice husk, as biomass.

To reduce greenhouse gas emissions, Riverstone has installed solar panels on the rooftops of its wholly-owned subsidiary Eco Medi Glove's manufacturing plants in Taiping, Perak. The solar panels cover 16.3% of the rooftop space. In 2022, the solar panels yielded 576 kilowatt-hour (kWh) of electricity and offset an estimated 337 tonnes of carbon dioxide.

Meanwhile, Riverstone aims to reduce the total water intensity by 5% each year, reaching approximately 25% reduction by 2025 from 2020 levels. The company has also committed to halving its waste by 2025.

Riverstone says it has eliminated colour variation from its products. This reduces the frequency of product changeover, which requires the production crew to cool the oven and remove remaining the raw material, water and chemicals in the dipping tanks. Each changeover increases water consumption, energy use, chemical use and product losses. "By having fewer product variations in our portfolio, we can decrease the frequency of changeover, and improve our environmental performance," says the company.

Riverstone employs some 3,000 staff. Some 2,800 workers are based in Malaysia, while more than 200 are located in Thailand and the rest are in China, says Wong. The company's offices in the Philippines, Vietnam and Singapore employ less than five people each, he adds.

On the labour front, Riverstone has engaged third-party auditors Sedex Members Ethical Trade Audit, Business Social Compliance Initiative and Responsible Business Alliance. In FY2022, Riverstone conducted third-party audits at all plants. The auditors assess areas including signs of forced labour or child labour, employee health and safety, business ethics and management system.

"We will not compromise the quality of our products and will remain compliant with social and environmental regulations," says Wong. "The group continues to engage external qualified consultants for audits to ensure continuous certification of all manufacturing plants." E

GuocoLand's 'twin engines' of growth

Emerging from the pandemic, GuocoLand appears to defy the worries of many market-watchers.

For one, GuocoLand's Singapore investment properties Guoco Tower and 20 Collyer Quay have both achieved almost-full occupancy rates of around 98% despite a shift towards hybrid work arrangements, while Guoco Changfeng City in Shanghai and Guoco Midtown's office tower have achieved take-up rates of 95% and 85% respectively.

In addition, its local property developments, Meyer Mansion, Midtown Modern and Lentor Modern, have all been "substantially sold", according to GuocoLand.

Together, GuocoLand's "twin engines" of property investment and property development businesses helped the Mainboard-listed real estate group post record revenue of $1.54 billion for FY2023 ended June.

In particular, GuocoLand saw its 2HFY2023 revenue surge 72% y-o-y to $882.9 million compared to the previous corresponding period. In line with the group's topline growth, FY2023 operating profit grew 39% y-o-y to $195.0 million. GuocoLand's board has recommended a first and final dividend of six cents per share for FY2023.

Based on GuocoLand's returns to shareholders, growth in profit after tax and weighted return on equity over three years, as well as performance in sustainability, the group has emerged as overall sector winner among real estate listed companies in *The Edge Singapore*'s Billion Dollar Club Awards 2023.

The post-pandemic environment calls into question long-held assumptions around interest rates, global supply chains and the impact of climate change, says Cheng Hsing Yao, GuocoLand's group CEO. "At a more intimate level, many people across the globe have re-evaluated their life priorities after experiencing the pandemic. All these will influence the future of real estate products and services."

GUOCOLAND

Cheng: Many people across the globe have re-evaluated their life priorities after experiencing the pandemic. All these will influence the future of real estate products and services

Flight to quality

Cheng, who was appointed group CEO in July 2021, says hybrid work arrangements are making companies pay more attention to the quality of their work space. This is benefitting GuocoLand's portfolio of prime assets. "The quality of the office environment, and how it helps attract staff to come back to the office to work, has become more important," he says. "Thus, corporations will try to go to the best quality office that their budgets allow."

The group's investment properties, valued at some $6.20 billion as at June 30, are located across its key markets of Singapore, China and Malaysia. They account for more than half of the group's total assets of $12.01 billion.

In Singapore, the group's two integrated developments — Guoco Tower and Guoco Midtown — not only contain Grade-A offices, but also boast direct access to MRT stations. "They offer a well-rounded 'live-work-play' lifestyle for office workers, which support the tenants' objective to provide a more engaging office environment," says Cheng, who joined GuocoLand in 2012.

The upcoming Guoco Midtown at Beach Road adds not just an office tower, but also three retail clusters and two residential condos, to GuocoLand's portfolio. The entire development sits on 3.2ha of land with around 1.5 million sq ft of space, and the retail clusters have been "substantially leased", says Cheng.

The property will also debut the Network Hub — a first-of-its-kind, purpose-built business and social club that offers additional on-demand office spaces and meeting facilities. "The network hub is key to our 'flex in core' leasing strategy that better supports the dynamic workspace demand of our tenants," says Cheng.

The Guoco Midtown office component has a net lettable area of 709,000 sq ft, which is around 80% of the 890,000 sq ft of office space at Guoco Tower. "When both Guoco Midtown and Guoco Midtown II are completed… the projects will introduce an estimated 8,000 office tenants from a wide range of industries, almost 800 new homes and households, and multiple public plazas and gardens for all to enjoy," Cheng adds.

In China, GuocoLand is focusing on two key operations in the gateway cities of Shanghai and Chongqing. In Shanghai, the group has completed the final phase of Guoco Changfeng City — a mixed development in the Putuo District directly linked to Changfeng MRT Station.

The development comprises two 18-storey Grade-A office towers (North and South Towers), two low-rise buildings, a cultural office building, as well as a basement retail mall that has been fully leased to a master tenant. The low-rise buildings and cultural office building have already been successfully sold, while the South Tower is being retained as an investment property.

With a 95% take-up rate, the South Tower will be accretive to GuocoLand's rental income going forward, says Cheng.

In Malaysia, the indirect subsidiary GuocoLand (Malaysia) is developing two mixed developments: Damansara City, located in the Damansara Heights district of Kuala Lumpur; and Emerald 9, located at the prime Batu 9 Cheras.

GuocoLand (Malaysia), which is separately listed on the Main Market of Bursa Malaysia, is eyeing more developments ahead. "We also have large land-banks in the Jasin and Sepang areas. We are in the process of studying the development options for them. The outlook for the property market is uncertain; we are using this time to strategise a sustainable growth path," says Cheng.

Lentor and beyond

At home, Singapore's residential market has gone through a structural shift "for some time now", says Cheng. "Most of the demand is from owner-occupiers and long-term investors. They are more specific about what they want, in terms of locational attributes, design, accessibility and amenities of the projects they buy into."

Lentor Modern, launched in September 2022, is more than 90% sold to date. As the first and only mixed development in the area, it sets the tone for the entire estate, which has a "very broad-based appeal" to buyers islandwide, says Cheng.

Together with joint-venture (JV) partners, GuocoLand has acquired three more sites in the Lentor area. According to Cheng, owning multiple sites in the same location allows GuocoLand to craft each project to capture different segments of buyers.

Lentor Hills Residences is GuocoLand's second project in the estate, sitting on a site acquired through a JV with Hong Leong Holdings and TID Residential. Launched in July, the development is 65% sold to date.

Additionally, the Lentor Gardens site is set to launch in 1H2024 with 533 planned units as a JV with Hong Leong Holdings, while the Lentor Central site — won in September by a consortium comprising Hong Leong Holdings, GuocoLand and CSC Land Group — is scheduled to contain 475 units in two high-rise blocks.

Next year, GuocoLand will complete works on Midtown Modern, Meyer Mansion and The Avenir.

In Chongqing, GuocoLand has launched Guoco Central Park, a new development with over 1,500 apartments in one of the city's most sought-after residential areas. "Following the positive response for our initial phase of sales, where we sold 91% of the first 200 units launched as at June 30, we are targeting to launch more units towards the end of the year," says Cheng.

Also in Chongqing, GuocoLand's large-scale mixed development Guoco 18T will progressively complete its first phase till 2025. It features five high-rise residential towers with more than 1,000 apartments on top of a lifestyle mall and various heritage buildings, complete with views of the Yangtze River.

Together, the progressive recognition of sales contributed to $1.30 billion in development revenue in FY2023, 62% higher y-o-y. "We are building up a track record in executing high-quality development as well as in asset management, and we will leverage these capabilities to seek out new opportunities in China," says Cheng. "Amid the overall uncertainty in the property sector and the wider economy, we still maintain our long-term confidence in China's growth prospects."

Green finance framework

High interest rates, sticky inflation and lasting geopolitical tensions weigh heavily on Cheng's mind. "Having said that, Singapore being a hub for Southeast Asia is well-positioned to benefit from the growth in the region. Meanwhile, the real estate market in China is going through a consolidation. We are watching it carefully as it can offer opportunities that may not be available when the market was more buoyant."

GuocoLand has also lowered its debt-to-asset ratio to 0.43 for FY2023. "Our residential inventories are substantially sold, and hence our total debt was reduced from $5.6 billion to $5.1 billion. We will continuously pare down our borrowings through progressive cash received from the strong sales for our residential properties," says Cheng.

He adds that GuocoLand's debt for investment properties is backed by strong rental income. "We have interest coverage ratios of between two and three times."

On the sustainability front, GuocoLand secured in June a $974 million green club facility — the group's largest green facility to date — for the refinancing of the commercial component of Guoco Tower. The group also secured a $498.6 million green facility for the upcoming Lentor Gardens development.

Both green loans were raised under GuocoLand's new Green Finance Framework, which gives GuocoLand and its subsidiaries access to various fundraising options linked to "eligible green projects".

Initiatives to enhance green building performance at Guoco Tower, for example, include improvements to the energy efficiency of its air-conditioning and mechanical ventilation system, and upgrades to the building management system to better monitor energy consumption.

Prior to the development of the framework, GuocoLand had already secured $700 million and $730 million of green facilities for the development of Lentor Modern and Midtown Modern respectively, inclusive of commercial components. With the latest green facility, GuocoLand has secured a total of more than $2.4 billion of green financing to date.

According to Cheng, GuocoLand is undertaking a carbon accounting and decarbonisation study and will use a "science-based approach" to align its businesses and operations accordingly.

The times ahead are exciting albeit uncertain, says Cheng. "With the continued support from our stakeholders, including home buyers, tenants, investors and shareholders, coupled with the capabilities of our team, we seek to take the business forward and further strengthen the GuocoLand brand." E

Civmec: A success story in Australia's heavy engineering industry

The last few financial years since FY2020 have been great for Civmec as it delivered yet another record performance in FY2023.

In FY2023 ended June 30, Civmec reported a record NPAT of A$57.7 ($50 million), up 13.7% y-o-y. The company also posted a record ebitda of A$109.1 million, up 15.4% y-o-y. As at June 30, Civmec's order book also grew by 10.6% y-o-y to a healthy A$1.15 billion.

When asked about the company's secret to achieving steady revenue and earnings growth, Patrick Tallon, CEO and co-founder of Civmec, reveals that the company has been very focused on improving its bottom line — even more so than its top line — even though revenue growth is required to drive earnings.

"We committed to the market, some three, four years ago that we would deliver consistent profit margin … We look at what is sustainable for the business," he says.

"It is possible to secure work but it's how you deliver the projects that really matters. We look at jobs that suit our portfolio of disciplines, ensuring the correct people are available within the business and in the market to deliver safe and successful outcomes," he adds.

In FY2019, Civmec reported a drop in its earnings to A$7.0 million while revenue fell to A$488.5 million.

At the time, chairman James Fitzgerald attributed the revenue and earnings drop to "a year of consolidation", which was "focused on the completion of several significant projects".

According to Tallon, the company was also focused on building its new engineering facility in Henderson, Western Australia at that time. The new facility is said to be a "significant build" that cost the company "well in excess" of A$100 million.

"That was a period where we went through no growth in our revenue and margins were getting a little tighter. But it needs to be understood what we were doing at that time when it was harder [to grow] amid the global climate," Tallon explains. "We felt that was the right time for us to be involved in internal infrastructure and people development and get ready for the next platform of growth. So, we built a very strong foundation for that next level of growth."

He adds: "In fairness, compared to our peers, we are doing better than the vast majority and certainly as good as the rest. We are really in a good solid strong position right now as a business and that's ultimately due to hard work but also due to a lot of strategic positioning and making the decision to build this infrastructure to help us to be able to control the supply chain and make us more attractive to our clients overall."

Becoming Australia's largest

Civmec, which was established in 2009, is understood to be Australia's largest heavy engineering company and is one of the country's leading contractors with businesses in the energy, resources and infrastructure, marine and defence sectors.

"The model for Civmec was around being able to give full turnkey solutions in multiple disciplines and working across multiple sectors," says Tallon, adding that it was a plan and a work in progress as the company steadily took on more disciplines that it did not initially have such as major fabrication projects and work for major liquefied natural gas (LNG) projects.

CIVMEC

Civmec chairman James Fitzgerald (left) and CEO Patrick Tallon. Both men founded Civmec in 2009

"Right now, I believe it would be very hard to find a company that has all the disciplines in-house and [is] doing exactly what we're doing in Australia. It would be hard for clients to find a contractor that has extensive fabrication facilities and an in-house capability for doing civil concrete, fabrication, structural mechanical piping and electrical works," he adds.

"But it doesn't mean we don't have strong competitors. However, there's no real direct comparison," he points out, adding that there is no other single contractor that can serve the range of in-house capabilities to customers that Civmec does.

These range from Australia's federal government in key areas including defence and Main Roads Western Australia (WA) and Transport for New South Wales (NSW) for bridge infrastructure to energy giants such as Woodside and Chevron for subsea modules and major blue-chip miners such as Rio Tinto, BHP and Fortescue Metals Group (FMG) in resources projects.

Revenue goals

Among its business segments, Tallon sees the biggest area for immediate growth is in maintenance which contributed about 15% to Civmec's total revenue in FY2023.

"We have extensive knowledge lots of the number of major projects and fabrication jobs," he says, adding that the maintenance sector has the most immediate opportunity for growth. At present, Civmec has been taking on major projects worth up to A$500 million, but compared to its peers in the maintenance space, some of which generate revenue in maintenance above A$1 billion, we have a lot of room for growth, he points out.

Furthermore, Civmec has been performing well in the maintenance space, with the company seeing a doubling of revenues on a y-o-y in the sector. "It's not too big a challenge to double revenues initially when the starting revenue number is low but we do see growth for ourselves there and this will be enhanced following the completion of our development of a maintenance facility at Port Hedland, the primary port location for many of the large iron ore miners operating in the Pilbara of Western Australia ."

On the whole, Tallon aims to hit over A$1 billion in the company's annual revenue "over the next couple of years".

Currently, the company's major projects — most of which are cyclical — generate about 80% of Civmec's revenue. However, Tallon aims to reduce this weightage to 50%–60% and secure the rest from recurring revenue streams.

These include maintenance works as well as meeting the shipbuilding and sustainability defence requirements for the Australian Navy.

Meanwhile, due to the cyclical nature of the projects, Tallon reveals that the company has to try to ensure that larger projects get awarded at the right time, although this is something out of its control.

"We've been managing that quite well and we know the timings of the projects so far. However, clients can often get delays for an abundance of reasons that would range from environmental approvals to getting engineering deliverables issued. That has been one of the complexities of trying to consistently maintain a strong order book," he says.

"We may have had an order book of around A$1 billion consistently but when you're faced with winning an A$300 million job that the client may push out for a period, that can impact what you can report in your order book and can affect our forecasts, so timing is integral. As we grow our maintenance sector, which will include proactive well planned-out shutdowns in advance, we plan to be able to cope with peaks and troughs better and be able to have some clearer visibility looking ahead."

He adds that the company's multi-disciplinary nature means that they can work on a few projects at the same time.

"At this stage, having depth of maturity in the business and a proven delivery model mean we are probably more sought after now. Clients want to partner with us. But it doesn't mean we can call the shots. It's not about being complacent, but we do have stronger relationships and an understanding of each other's requirements is better translated, often leading to more appropriate contract terms and conditions being included in the contracts we sign, for example … What's unclear, we can clarify and we ensure the client is aware of the basis on which our estimate considers. At the end of the day, we just want to ensure we have everything we need to do a good job and ensure all stakeholders get a satisfactory outcome."

That said, the CEO has stayed disciplined, which is to maintain bottom-line margins for his board and shareholders.

"To me, it's all about net profits. It's about what's there to be delivered to our shareholders at the end of the year," he says. "It is also important to me that we do whatever we can to keep our net profit margin (NPM) to at least above 5%. To be sure, 5% to 7% is a bracket that we're comfortable with for the foreseeable future."

He adds that even when the company embarks on a new venture, which may affect its growth trajectory for a period, overall, the board is "very hopeful and confident that we can keep our margins in the 5%–7% bracket over the foreseeable future".

Steady dividends

When it comes to giving back to the company's shareholders, Tallon is pragmatic in ensuring dividend payouts are sustainable. Since FY2020, Civmec's dividend per share has grown steadily, with a total payout of 5 Australian cents in FY2023.

"We've had some good returns and it is always our intention to give back to our shareholders whilst we can and when we can. Over the previous years, we may have been considered to be conservative about what we're able to give, but we have been in constant development and growth phases" he shares. "Going through significant areas of growth in new areas such as infrastructure and defence, all that costs money. At any given time, where there are operational requirements and the like, there may be a cash requirement for new projects and constraint for a specific project, milestone payments instead of progressive payments for example. We have to bear all these factors in mind when distributing dividends."

He adds: "The whole idea is we want to be in a position to give some of the cashback to our shareholders, people who have stuck with us, and we'll do so when we feel it is appropriate. However, we are also mindful that we don't want to go backwards. We hope that we will maintain the dividends that we give, and we don't want to have one-off spikes and end up returning to a lower dividend payout. At the same time, we need the flexibility for capital expenditures (capex) and operational requirements, and we need our shareholders to understand that."

"At the end of the day, we try and give as much as we can but there is no point in giving a big dividend but we end up suffering from an operational constraint in taking in jobs. We are pragmatic in that," he says. E

BDC winner CapitaLand India Trust is a proxy to Asia's most exciting market

Sanjeev Dasgupta, CEO of CapitaLand India Trust's (CLINT) trustee-manager, credits several factors for keeping the trust ahead of its peers. This approach helped CLINT secure the top position in growth in ROE over three years in *The Edge Singapore*'s Billion Dollar Club REIT category. CLINT's 2023 win marks the third time it has received this BDC award, having previously achieved the highest score for weighted ROE growth in 2017 and 2018. CLINT was also awarded the fastest growing company and best in the sector under the REIT category in 2017.

He adds: "Two things have helped us. One is, of course, India's growth momentum. I think we will be able to ride on that, and the growth momentum has been remarkable," he says. "The growth in IT services translates into demand for [our] real estate. That's a direct connection."

IT services revenue is rebounding after a steep drop in 2021 due to India's pandemic-led lockdowns. Total contract values have also risen since a low point in the first quarter of 2021. "The second thing is we've always taken a more proactive approach to value-add to our portfolio," Dasgupta adds.

CLINT maintains an active development pipeline as part of its value-added business model. As of Sept 30, it has a total development potential (including four data centres) of 7.1 million sq ft, which comprises 3.4 million sq ft in Bangalore, 2.3 million sq ft in Hyderabad, 0.8 million sq ft in Navi Mumbai and 0.6 million sq ft in Chennai.

Development assets provide returns much higher than REIT yields. Even after rising interest rates and CLINT's blended cost of debt of 6.3% in the first six months of the year, returns on development assets should easily outstrip these rising costs. CLINT's own annualised trading yield is also around 6.3%.

CLINT obtained GRESB 4 stars for its sustainability efforts for the *2023 GRESB Standing Investments Benchmark Report* and the *2023 GRESB Development Benchmark Report* in its inaugural submission year. In addition, it also maintains Grade A for the *2023 GRESB Public Disclosure Report*.

Listed in 2007, CLINT is a highly liquid option for institutional and retail investors on the Singapore Exchange looking to benefit from India's growth and digitalisation. A recent preferential offering in July to raise $150 million was oversubscribed, highlighting its popularity.

The group's business model aids the trust's net property income (NPI) in India to grow steadily. This comprises mainly of the value of the INR compared to the Singapore dollar, but in recent quarters includes higher costs.

CLINT's $2.7 billion portfolio primarily comprises IT parks. The property trust has recently diversified its portfolio to include logistics and industrial assets and new economy assets like data centres, ensuring sustainable and stable income streams for unitholders.

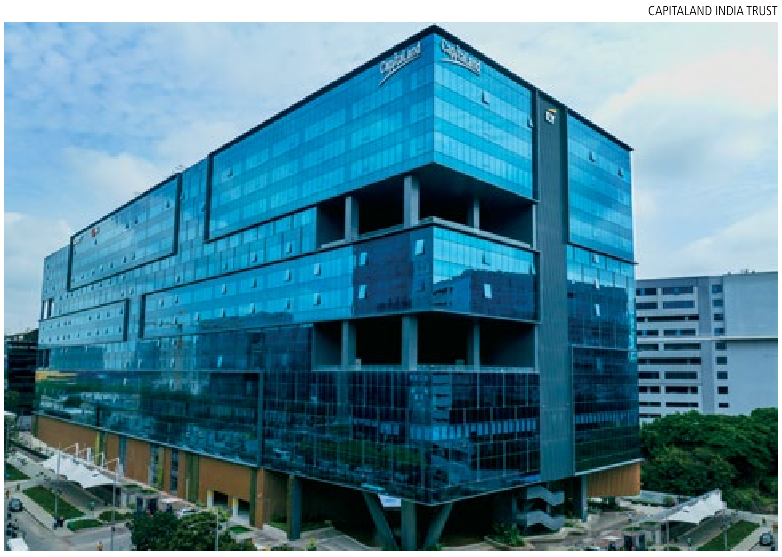
Dasgupta anticipates that within four to five years, with the completion and leasing of its four data centres, around 75% of CLINT's assets under management (AUM) will likely be from IT parks, with 15% from data centres and 10% from logistics.

Development and forward purchases

As an example of the value-add strategy, CLINT has announced the redevelopment of International Tech Park Hyderabad (ITPH) in phases over the next seven to 10 years as it would unlock significant value for unitholders as it increases the development potential without incurring incremental land cost. Phase one of Block A, a Grade A 1.4 million sq ft office building completed in January this year, has received a 100% lease commitment from leading global corporations and has resulted in a 14% uplift in the valuation of ITPH. Construction has begun for a data centre in ITPH.

Block A commenced operations in September, and its revenue contribution is expected to stabilise by the first half of 2024. Its forward purchase strategy is where CLINT ties up with partners with the land and planning permission. "We come in and take up the existing debt and become the sole senior lender under a pre-agreed valuation framework, and eventually, we buy the completed asset," Dasgupta says.

CAPITALAND INDIA TRUST



CLINT plans to redevelop International Tech Park Hyderabad (ITPH) in stages over the next seven to 10 years

ALBERT CHUA/THE EDGE SINGAPORE

Dasgupta: When we evaluated investing in data centres, we felt locking in the land was important. It has to be in locations where power and telecommunication infrastructure are available. We have at least two sources of fibre and power for our data centres

In March 2021, CLINT acquired an industrial facility in Chennai from developers Casa Grande Group, marking its first industrial asset and phase one acquisition at Mahindra World City. CLINT funded the project through non-convertible debentures, and CLINT's trustee-manager made share purchase agreements for the projects on completion. Phase one was completed in May 2022.

The facility is leased to Pegatron, a global electronic manufacturer known for producing iPhones. *Reuters* reported earlier this year that Pegatron plans to open a second facility in Chennai shortly after the launch of the first one. Indian media outlets also reported that iPhones helped smartphones become one of India's top five most exported commodities in the fiscal year that concluded in March.

India's commerce ministry data shows that the country's smartphone exports surged to US$10.9 billion ($14.9 billion) in fiscal year 2023 from US$5.4 billion in the previous year. In July 2022, CLINT revealed plans to acquire two industrial facilities at Mahindra World City. Construction for these projects is anticipated to conclude by the second half of 2023, followed by CLINT's acquisition after a 12-month stabilisation period.

The advantage of forward purchases is the yield on cost, which — like development projects — is in the mid-teens. Besides Mahindra World City phase two in Chennai, the assets which would be acquired under the forward purchase strategy include aVance in Hyderabad, BlueRidge 3 in Pune, Gardencity and Ebisu in Bangalore, as well as Building Q2 and warehouses in Navi Mumbai.

In November last year, CLINT and Larsen & Toubro (L&T) signed a non-binding term sheet for a commercial platform to develop nearly 6 million sq ft of prime office spaces in Bangalore, Chennai and Mumbai. In the agreement, L&T will handle the construction and development of office spaces, while CLINT will take charge of marketing the office spaces.

More data centres coming

India's digitalisation is creating an ideal environment for data centre landlords. Initiatives such as India Stack, which comprises open APIs and digital public goods for digitising identity, data and payments for the population of 1.4 billion, along with the Unified Payments Interface (UPI) and Aadhaar, a 12-digit unique identity number, are spearheaded by the central government.

Dasgupta says that his team started evaluating data centres in 2019. "The data centre market is seeing stronger momentum," he says, adding that the drivers are the entrance of the three big hyperscalers into India and the growth of cloud infrastructure. "An interesting trend in the last six months and picking up momentum very strongly is hyper scalers' interest in campus-style data centres, which are more focused on AI data centre space," he continues. In addition, government legislation around data consumption of Indians to be housed within the country will likely lead to more demand for data centre capacity.

"When we evaluated investing in data centres, we felt locking in the land was important. It has to be in locations where power and telecommunication infrastructure are available. We have at least two sources of fibre and power for our data centres," Dasgupta adds.

CLINT's initial data centre site was purchased in Airoli, Navi Mumbai, in 2021. In December 2022, CLINT acquired a data centre site in Chennai from a manufacturing company in the Ambattur industrial area. The remaining data centres are under construction within CLINT's ITPH and International Tech Park Bangalore (ITPB).

"With growing digitalisation needs, we changed the master plan and carved out some land for data centres in Hyderabad," Dasgupta says. CLINT has two data centres under construction in Mumbai and Hyderabad, with projects in Chennai beginning in the fourth quarter of this year and Bangalore in 1H2024.

In 2022, CLINT received in-principle approval from Maharashtra State Electricity Transmission Company for a power capacity of up to 108MW for its Navi Mumbai data centre. The data centres to be built in ITPH and ITPB will have capacities of about 40MW and 42MW, respectively. The plans also include in-principle approval from the Transmission Corporation of Telangana to provide a power capacity of up to approximately 80MW for the data centre at ITPH. The Chennai data centre will have a capacity of around 54MW.

"Capex for data centres on a colocation model is about $1.4 billion to $1.5 billion," Dasgupta says. Valuations for the completed data centres will likely depend on cash flow and comparable capitalisation rates. As a rough rule of thumb, valuations could be as high as 2 times capex, he adds.

Dasgupta is targeting 30% to 35% of power for the data centres to be green. For the whole portfolio, 46% of the total landlord's energy consumption is powered by renewables. In Bangalore, 100% of the energy used is from renewable sources.

Another notable trend in India is infrastructure development. As the *Times of India* reported, the Navi Mumbai International Airport is set to become operational by December 2024. A bridge connecting Navi Mumbai to the main Mumbai island is expected to be completed by the end of this year. Significant efforts are also being made to construct and upgrade metros in cities like Mumbai, Hyderabad and Bangalore.

"The metro in Bangalore is in front of our park, and that metro station is going live. The Hyderabad parks are quite close to the metro station," Dasgupta says. All these developments point to continued demand for CLINT's assets as a new digitalised India with its 21st-century infrastructure emerges. E

Raffles Medical Group balances patient care, growth and shareholder returns

What began as a modest endeavour by two doctors in Singapore has now grown into a renowned integrated healthcare provider with a significant presence across Asia. Raffles Medical Group's (RMG) journey is not just one of impressive expansion but also a testament to its unwavering commitment to patient-centric care and medical excellence.

RMG's story traces back to 1976 when co-founders Dr Loo Choon Yong and Dr Alfred Loh established a small medical practice in Singapore. With just two clinics, they embarked on a mission to provide quality healthcare for the local community. Dr Loo, then a medical practitioner fresh from medical school, had little knowledge of business management when he started the journey. His primary focus was always on patient care, believing that if patients were well taken care of, the business would naturally thrive through loyal customers and word-of-mouth referrals.

"We are a healthcare company that sells healthcare services, reliability, honesty and professionalism. We strive to deliver a brand that will be known for good healthcare services, a brand that patients will always trust. When the patients trust us, they will come back and refer us too. It is a simple business model and I think it is still relevant today," says Dr Loo, executive chairman of RMG, in an interview with *The Edge Singapore*.

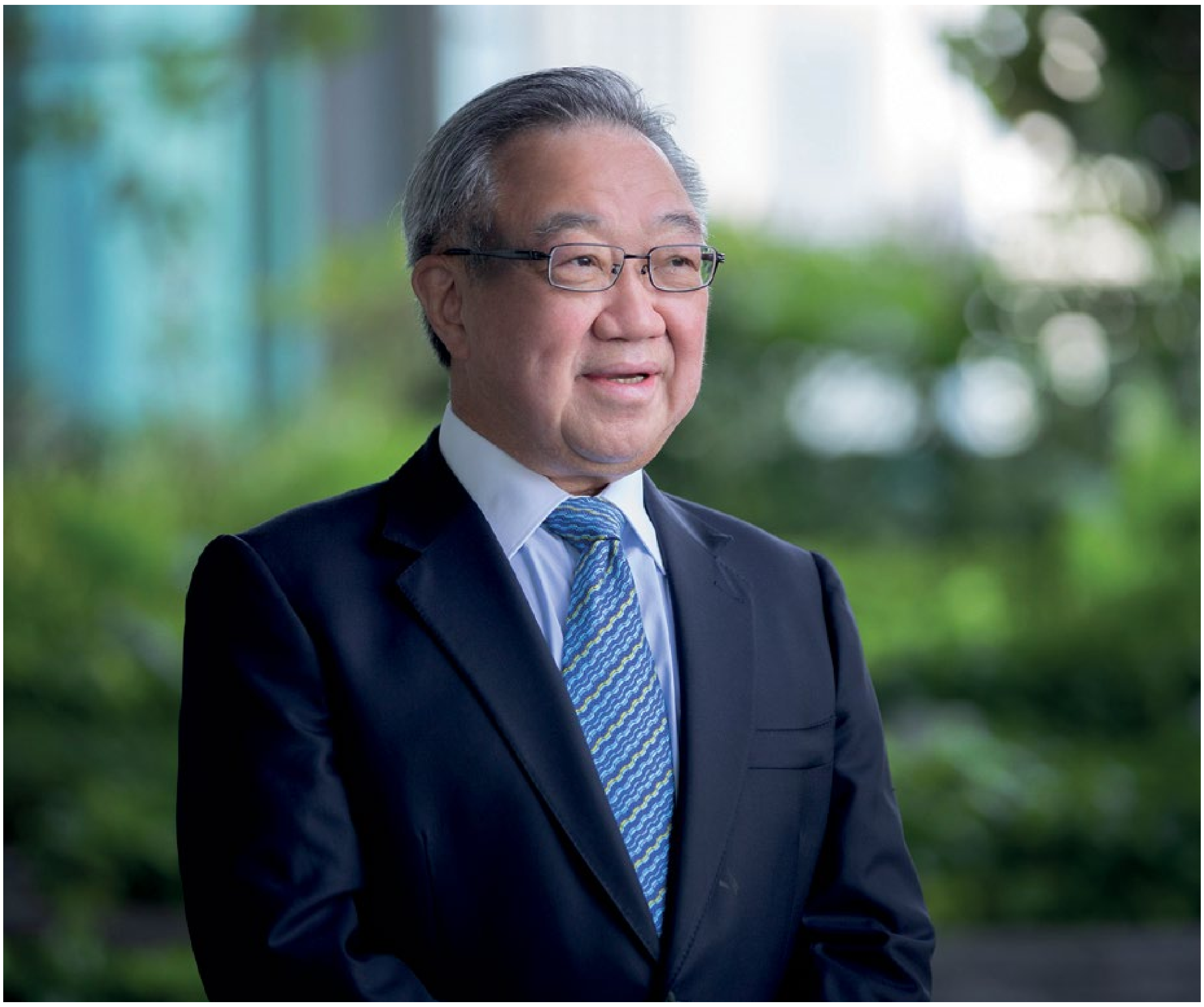
Over the years, RMG's relentless pursuit of excellence in healthcare has transformed it into a formidable healthcare conglomerate. Today, it stands tall as a leading healthcare provider in Asia, boasting a vast network of over 100 multi-disciplinary clinics in Asia, with over 500 multi-specialty physicians and more than 1,500 physicians, nurses and allied healthcare professionals all working together.

RMG's general practice clinics serve as the frontline of healthcare, providing primary care services. The group also has secondary and speciality centres all across Singapore. Its flagship hospital is located on North Bridge Road, just next to the Bugis MRT Station.

Dr Loo says RMG will continue to expand its footprint in Singapore by opening more family clinics. He shares that consumer behaviour has changed after the Covid-19 pandemic so RMG takes into consideration the rising popularity of the hybrid work model when opening up clinics. "We have a strategy to let our patients have convenient access to quality healthcare — be it near their home or office," says Dr Loo, adding that RMG recently opened up new clinics in neighbourhoods such as Marine Parade, Woodleigh Mall and at CapitaSky in the Central Business District area.

"We are well known in Singapore. There is a demand in Singapore and our patients are loyal so we will keep expanding. It is not rocket science. If it works well — we deliver quality care and we earn the trust of our patients and customers — why do we want to change it?" says Dr Loo.

RAFFLES MEDICAL GROUP



Dr Loo: We are well known in Singapore. There is a demand in Singapore and our patients are loyal, and we will keep expanding. It is not rocket science. If it works well — we deliver quality care, we earn the trust of our patients and customers — why do we want to change it?

Care without prejudice

RMG's commitment to healthcare extends beyond treating illnesses. It firmly believes in the adage that prevention is better than cure. The group offers a wide array of services including vaccinations, supplements and comprehensive health check-ups to ensure individuals can proactively safeguard their well-being. This holistic approach underscores RMG's dedication to promoting overall health and vitality.

"You don't have to be sick to visit us. Health is something that we stand firm on and we are happy to help you maintain or improve your health. Times have changed and people's views and demands on well-being have changed. We are on your side and part of what we do is to care for you. We want to help you to live healthily," says Dr Loo, adding that this is the way that he and Dr Loh have practised medicine for 47 years and continue to hold the same values today. Therefore, when the Singapore government launched the Healthier SG initiative, RMG pledged to support the initiative and contribute to it actively.

At the heart of RMG's success lies a set of core values — compassion and commitment. Dr Loo believes that providing healthcare is not solely about profits but firstly about providing the right care to patients. RMG's pricing strategy also reflects this ethos; being neither the most expensive nor the cheapest healthcare provider but striking a balance between affordability and quality.

The way Dr Loo sees it, there is no contradiction between offering personalised and quality healthcare and growing the business. "We have to be sustainable because we want to still be here in the next 50 years. There are important healthcare services that we continue to provide because our patients need the service. We are a holistic healthcare provider," says Dr Loo.

Dr Loo sees the whole business as a "balancing act", where the company is in a sweet spot to deliver quality care to patients at a reasonable price, take care of its staff, invest in the future of the company, and reward shareholders.

It seems that RMG has perfected this balancing act as the company won the overall sector winner for healthcare services, pharmaceuticals, biotechnology & medical research in this year's Billion Dollar Club organised by *The Edge Singapore*.

Healthy outlook

However, RMG's growth journey is far from over. As healthcare demands continue to grow, the group remains steadfast in its commitment to expansion and innovation. Its vision is to build upon its existing strengths and services, catering to the evolving needs of the communities it serves. With a strong foundation of trust and excellence, RMG is well-positioned to continue making significant contributions to the healthcare landscape in Asia.

Apart from its large footprint in Singapore, RMG also has a strong presence in China, Hong Kong, Vietnam, Cambodia and Japan. Dr Loo shares that RMG will continue to service these regions and explore ways to serve the Indonesian market as demand stays high. As for other markets, Dr Loo says that it will depend on the opportunities the market presents.

"It sounds boring but we are focused on growing the same things as our competitors but of course with our brand of quality care and philosophy. We are focusing on the growth of our people and their expertise too, to achieve a better outcome for the company. We will continue to seek growth and we will not forget our basic raison d'etre, which is providing ethical, professional and excellent healthcare service," says Dr Loo.

RMG's remarkable journey from its modest beginnings to becoming a leading healthcare provider in Asia is testament to its unwavering commitment to patient care and medical excellence. With a focus on both tertiary and preventive healthcare, RMG continues to be a beacon of compassion and commitment in the healthcare industry. As it embarks on a path of further growth and expansion, the group's mission remains clear — to provide quality healthcare services to the communities it serves. E

Bumitama demonstrates resilience in adversity

Bumitama Agri, a major palm oil producer, has a rich history in the global plantation industry, tracing its roots to 1915. It was founded in 1996 after acquiring a 17,500ha land concession in Central Kalimantan, Borneo. Since then, it has expanded significantly, managing over 187,000ha as of FY2022 ended December 2022.

Despite challenges in recent years, Bumitama has remained resilient, benefiting from high production and increased palm oil demand driven by soaring prices. Even at the peak of the pandemic in 2021, it crossed the IDR10 trillion revenue mark. By 2022, Bumitama's revenue hit a new high of IDR15.8 trillion ($1.36 billion).

It is no wonder that the company clinched the Centurion Club 2023's best growth in profit after tax (PAT) over a three-year period in the F&B sector.

Executive director Christina Lim notes that during the gruelling past few years, the company was not spared the mobility and productivity-related issues during the pandemic lockdown, fertiliser supply scarcity, as well as extreme weather conditions brought about by the "triple-dip" effect of three straight years of La Nina. These challenges were addressed expeditiously, driven by proactive measures and the deployment of initiatives that turn opportunity into results, says Christina.

The company suppressed the Covid-19 spread by upholding protocols and swiftly inoculating workers as soon as vaccines became available. With calculated foresight, the company was also able to safeguard its operations with supporting systems that are firmly executed, from infrastructure and workforce management to procurement and logistics.

"It was also very important for us to be proactive as there were a lot of cost pressures, especially given the high fertiliser prices we saw in the two years ending in 2022 due to supply constraints. Thankfully, we secured fertiliser supply ahead of time to apply it as planned, despite growing scarcity with disrupted supply in major producing countries," says Christina.

BUMITAMA AGRI

Bumitama continues to explore new technologies to assist its precision agronomy initiatives, says executive director Christina Lim

Focusing on shareholder value creation

The company plans to sustain its strong financial and return on equity performance by focusing on long-term creation of shareholder value instead of maximising short-term profit gains. While attaining highest productivity remains a key strategy to becoming the most efficient producer, the company is also mindful that social risk is critical to the sustainability of its business, says Christina.

Bumitama has adopted a "beyond compliance" approach to maintain balance between profit-making and achieving environmental, sustainability and governance (ESG) goals. For instance, the company is using organic waste from its operations to replenish soil nutrients on its plantations, enacting a highly granular manuring regime adjusted to the conditions of different plots across its estates.

"We combine these measures with ongoing water management initiatives and comprehensive enhancements to our estates — all key elements in our intensification strategy. With all this, we could conduct manufacturing according to the initial plan, even during the unusually lengthy period of heavy rains from the triple-dip La Nina of 2020 to 2022 while attaining record high productivity of 4.8 tonnes of crude palm oil [CPO] per hectare in FY2022," says Christina.

As at June, Bumitama's consolidated total planted area of 187,000ha consists of 131,000ha of nucleus estates and 56,000 hectares of plasma estates (smallholders), spread across Central Kalimantan, West Kalimantan and Riau — a considerable amount of the company's planted surface is strategically located in areas of good precipitation and temperature well suited for oil palm cultivation. Its processing capacity stands at 6.39 million tonnes per annum.

For its 2QFY2023 ended June, Bumitama reported revenue, net profit and ebitda improvements q-o-q. Revenue grew 9% to IDR3.9 trillion, net profit grew 77% to IDR760 billion, while ebitda grew 99% to IDR1.37 trillion.

The company believes the quarter was an inflection point as the q-o-q recovery in production and productivity coupled with minimised fluctuations paved the way for a higher scale of economy.

Harvesting activities gathered pace within Bumitama estates amid the mini peak cycle period, with production volume of CPO soaring 34% q-o-q to reach 314,759 tonnes in 2QFY2023. This is supported by a 29% rise in fresh fruit bunches (FFB) yield and 0.5 percentage point increase in oil extraction rates (OER), improving from 22.1% in 1QFY2023 to 22.6% in 2QFY2023.

Bumitama is increasingly confident that the low cycle has passed and production proportion in the second half of this year will be the bigger share of the year. The company believes the robust performance in the 2QFY2023 period could serve as the transition towards a more supportive environment, after having gone through soft performance in the previous two quarters.

Following this, analysts continue to be positive on Bumitama. UOB Kay Hian analysts Leow Huey Chuen and Jacquelyn Yow Hui Li note that Bumitama's 1HFY2023 results beat their expectations and that of consensus expectations, thanks to its higher CPO average selling price (ASP) and CPO production. The analysts also point out that the strong FFB yield and OER improvement was mainly due to better agro management that led to better productivity.

They also note that Bumitama's CPO ASP usually lags by about two months due to timing and delivery. Hence, the company's 2QFY2023 CPO ASP outperformed its peers.

Meanwhile, in her Oct 20 report, OCBC Investment Research analyst Ada Lim says Bumitama is well positioned to capitalise on supportive long-term industry fundamentals despite the current softness in CPO prices. Its superior productivity, high-quality plantations and continued focus on intensification rather than expansion place it well to maintain above-industry average yields and to capture greater market share, she adds. The analyst is looking favourably upon the specialised upstream player's growth profile pushing forward.

Analysts are also positive on the plantation sector over the next year, on expectations of CPO prices ranging higher amid tiger supply and rising weather risks to RM4,200 ($1,203) to RM4,500 per tonne in 2024.

In its effort to strive for higher yields and extraction rates, Bumitama has continuously invested in research and development, technology, as well as best agricultural practices in oil palm cultivation, says Christina. "We continue to explore and progressively apply new technologies to assist our precision agronomy initiatives. We are confident these initiatives will deliver major advantages to the best-in-class agronomic practices which we have been engaging with discipline," she adds.

Sustainability in motion

The company had also put a lot of effort in sustainability practices. Its sustainability-oriented initiatives started about a decade ago in 2014 when it piloted the assessment of peat and forest, pioneering the High Carbon Stock assessments which distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values.

The following year, Bumitama established a sustainability policy based on "No Deforestation, No Peat and No Exploitation", followed by the launch of its Bumitama Biodiversity and Community Project (BBCP), a landscape-based conservation project to create a wildlife biodiversity migration corridor between the local forests and national parks.

Bumitama's smallholder partners are an essential part of its sustainability agenda, with 30% allocation of total planted area. Recognising the importance of identifying all production sources to assess environmental and social risks within its supply chains, the company has prioritised enhancing its traceability-to-plantation data in recent years. As at December 2022, Bumitama had achieved 99.6% traceability, planning to attain its 100% target by this year.

Last year also saw Bumitama launching an updated version of its sustainability policy, which builds on its inaugural policy launched in 2015. This new policy addresses increased expectations from its stakeholders and challenges created by accelerating climate change and other emerging sustainability issues.

Bumitama remains optimistic towards inorganic growth, with ample capacity to seize opportunities when it arises due to its low gearing ratio which is at around 20% to 30% today. Christina says the company is continually looking for ways to grow the business sustainably through increasing sales, earnings and free cash flow, paving the way for increasing dividends and capital gains, further highlighting shareholder value creation.

"We are here for the long term. We have a rich, almost century-long history and we wish to carry on with our pursuit for excellence and hopefully we do this for centuries more," Christina adds. E

iFAST prepares for greater profitability with Hong Kong contribution

FAST Corp is bouncing back from delays surrounding its ePension project in Hong Kong with positive net inflows, new digital banking services in its UK business, and promises of greater profitability in the coming quarters.

While market and investor sentiment remained volatile in 3QFY2023 ended September, iFAST recorded positive net inflows that improved 34.4% q-o-q to $751 million. The group's assets under administration (AUA) grew 1.7% q-o-q and 12.6% y-o-y to $19.12 billion as at Sept 30, achieving the highest end-of-quarter AUA. The group targets AUA of $100 billion by 2028.

Compared to net losses after tax of $2.7 million incurred in 2QFY2022 due to a one-time impairment loss related to the India business, iFAST posted net profit after tax of $3.6 million in 2QFY2023, up 20.7% q-o-q. In 3QFY2023, net profit after tax surged 308.4% y-o-y to $8.52 million. For the first nine months of 2023, iFAST's net profit after tax almost doubled y-o-y, surging 194.2% y-o-y to $15.09 million.

Since the release of the 9MFY2023 results, shares of the Mainboard-listed company have recovered to near the 52-week highs seen in December 2022. iFAST shares started the year at $5.81, before news of its Hong Kong project delays weighed the stock to lows of around $4.16 in May. As at Nov 3, shares in iFAST were changing hands around $6.77.

Based on iFAST's weighted return on equity and returns to shareholders over three years, the company has emerged as a winner in *The Edge Singapore*'s Billion Dollar Club Awards 2023. For 3QFY2023, the group has declared a third interim dividend of 1.30 cents per share, unchanged from the year before.

"Going forward, the group expects overall revenue and profitability to show marked improvements, and the group expects profitability in 2023 to be substantially better than in 2022," said the company at the release of its 9MFY2023 results on Oct 25. "With this, the revenues and profitability in 2024 are expected to show robust growth compared to 2023."

IFAST

Lim: The Orso launch in Hong Kong is a milestone for the group's progress "towards enhancing platform capabilities and transitioning into a strong global player in digital banking, wealth management and pension administration solutions"

Hong Kong pension services

iFAST's involvement as one of the builders of the Hong Kong mandatory ePension platform project has long been touted as a potentially significant source of revenue. The ePension platform is the largest public retirement scheme in Hong Kong, with some HK$1.11 trillion ($194.9 billion) of assets under management.

The subsidiary iFAST ePension Services launched Orso ePension Services in June, a one-stop digital pension solution for Hong Kong Occupational Retirement Schemes Ordinance (Orso) Pension schemes. Orso and the Mandatory Provident Fund (MPF) are retirement schemes in Hong Kong. Orso is voluntary, while MPF is mandatory for all employees aged 18 and 64.

According to a blog entry published by the Mandatory Provident Fund Authority (MPFA), the platform will now enter the testing phase, with a target to complete by year-end. Migration of MPF accounts will commence in 2Q2024, and the MPFA targets for the platform will be fully operational in 2025.

The new Orso ePension Services will be available digitally, enabling users to easily perform a range of essential functions pertaining to their pension schemes via an online platform, says iFAST.

iFAST expects the Orso ePension Services to start making sizeable contributions to its Hong Kong AUA from 1Q2025, bringing about material positive contribution to the revenues and profitability of the iFAST Hong Kong business.

According to iFAST, its ePension division has been working closely with partners and all parties involved in the eMPF project to meet a 2024 launch target before turning fully operational in 2025.

Lim Chung Chun, chairman and CEO of iFAST, calls the Orso launch a milestone for the group's progress "towards enhancing platform capabilities and transitioning into a strong global player in digital banking, wealth management and pension administration solutions".

"iFAST Corp remains committed to investing in fintech developments and believes a well-rounded wealth management platform should be seamlessly linked to digital pension services," adds Lim. "With our fintech ecosystem and capabilities, the group has been able to further innovate and digitalise pension services and processes, delivering solutions that cater to changing industry trends that bring greater convenience and flexibility, enabling us to add value to all our stakeholders."

UK bank to play major role in medium to long term

In April, iFAST Global Bank (IGB) launched digital personal banking in the UK, allowing users outside of the UK to open a digital bank account online. Customers around the world can access deposit services, including fixed-term, notice deposits and multi-currency deposits.

IGB offers digital personal banking customers multi-currency deposits in six currencies: British pound, US dollar, euro, Hong Kong dollar, Singapore dollar and renminbi. IGB also offers notice deposits for US dollar, British pound and Hong Kong dollar to users in Asia.

This adds to IGB's existing funds transfer, payments and remittance services. IGB account holders can also link their digital banking accounts with iFAST's other platforms, such as FSMOne.com, iFAST Financial and iFAST Global Markets.

Lim thinks the group is "well-positioned" to benefit from offering digital banking and wealth management capabilities to a global customer base. "With the Internet, investors and individuals will be able to go online to look for the best wealth management platform and digital bank that best suits their needs, and they are no longer limited and restricted by platforms based in their own respective geographical locations."

iFAST says the division has continued to actively market the product to retail customers, and has received "encouraging interest" from customers from over 50 countries who have opened accounts with IGB.

iFAST acquired the UK bank in April 2022 for some $73.4 million, and the business has yet to turn a profit. The banking business reported a $2.2 million loss in 2QFY2023.

That said, iFAST's leaders believe IGB will break even in FY2024. "We expect iFAST Global Bank to play a major role in the growth of the group in the medium to long term, particularly beyond 2025."

The group has continued to disclose the regulatory ratios for IGB, including the liquidity coverage ratio, net stable funding ratio and total capital ratio, which are at 454%, 289% and 33% respectively as at Sept 30, exceeding minimum regulatory requirements.

Investing globally

Lim co-founded iFAST at the turn of the millennium with the launch of its now business-to-consumer division Fundsupermart.com in Singapore, following which the business-to-consumer division, iFAST Financial, was launched in 2001.

Lim subsequently led the company's regional expansion efforts, extending iFAST's presence beyond Singapore to Hong Kong, Malaysia, China and the UK. Today, the group serves more than 800,000 customer accounts.

For his leadership, Lim was named "Outstanding Chief Executive of the Year" at the 38th Singapore Business Awards (SBA) in August. Meanwhile, iFAST Financial (Hong Kong) received two awards for its technology at the Hong Kong Business Technology Excellence Awards 2023 in September. And of course, iFAST is a regular winner at the Billion Dollar Club awards organised by *The Edge Singapore*.

In line with the group's mission statement, "To help investors around the world invest globally and profitably", iFAST launched its digital video channel iFAST TV in January 2022 to further investor education.

Fronted by in-house analysts and industry experts, iFAST produces videos in English, Chinese and Cantonese. To produce such content, the company transformed an area of its Singapore office into a 4K TV studio with live production facilities.

The way Lim sees it, iFAST has always, since its inception, adhered to the principles of helping investors invest globally and profitably; providing investors with the necessary financial education and tools to help them make informed investment decisions; and establishing a win-win relationship with its clients, business partners as well as its own employees.

Lim says: "Our focus on helping investors in making the right investment decisions, and our commitment in making the right decision for the business throughout different market conditions, have also helped to lay a strong foundation for the company to achieve our vision of becoming a top digital banking and fintech wealth management player with a 'truly global' business." E

OUE streamlines business with ‘asset-right’ strategy

An “asset-right” model is the north star of OUE, as the group manages multiple income streams across real estate and healthcare, says Brian Riady, deputy CEO and executive director of OUE.

“We are focused on improving capital efficiency to optimise investment returns and earnings quality while transitioning to an ‘asset-right’ model. Today, OUE actively manages a portfolio of $7.8 billion across OUE Commercial REIT (OUE C-REIT), First REIT and managed accounts,” Riady tells The Edge Singapore.

For a portfolio of that size, the approach requires a delicate balance. “Asset-heavy means you invest entirely from your balance sheet; asset-light means you don’t use your balance sheet at all and you’re purely an investment manager for third-party capital” he adds. “Our ‘asset-right’ approach is somewhere in between. I think at heart, we are still real estate investors, but we like to leverage our expertise and track record so that when we invest, we can find partners to co-invest alongside us. By doing that, we can be more efficient with our capital.”

As part of OUE’s “asset-right” strategy, the company divested $1.3 billion of non-core assets in 2019 and 2020, just before the Covid-19 pandemic. The divestments included US Bank Tower in downtown Los Angeles, equity stakes in Marina Mandarin and Marina Centre Holdings as well as the 268-key Oakwood Premier OUE Singapore. Divestment proceeds were used to pare down debt, strengthen the balance sheet and embark on strategic growth and asset enhancement opportunities.

At the same time, OUE established new capital partnerships with real estate investors like Pimco Prime Real Estate and The National Pension Service of Korea, both of whom acquired minority stakes in OUE Bayfront, investing alongside OUE C-REIT.

“The streamlining of our portfolio and the formation of new capital partnerships has helped OUE become more efficient with our capital and will help us deliver improved returns in the long run,” shares Riady.

On the back of these activities, OUE delivered solid top line growth in 1HFY2023 ended June, driven also by the full reopening of Singapore’s borders, the full relaxation of pandemic restrictions and improved back-to-office trends that benefited the group’s main business segments.

Revenue for the real estate segment increased 46.0% y-o-y to $205 million in 1HFY2023, with all three divisions — investment properties, hospitality and development properties — contributing positively.

In particular, the hospitality division posted 1HFY2023 revenue of $95.8 million, nearly double y-o-y. Riady, who was appointed deputy CEO in December 2019 after more than a year leading OUE’s hospitality division, attributes this to the completed asset enhancement initiative (AEI) at Hilton Singapore Orchard (HSO), with the second-phase launch of the 446-room Orchard Wing in January bringing the hotel’s total inventory to 1,080 rooms.

As a result, revenue per available room (RevPAR) for both HSO and OUE’s Crowne Plaza Changi Airport (CPCA) have exceeded pre-pandemic levels, reaching $345 and $199 respectively in 3Q2023.

Riady thinks these rates are sustainable. “RevPARs have already moderated from 2022. In 2022, you had the perfect mix of pent-up demand coming back because of travel restrictions being lifted and a shortage of supply, because hotels were not adequately staffed and were taking the downtime to renovate, as we did. Since then, rates have eased, and we think they will be stable as we expect a full rebound in tourism in 2024.”

ALBERT CHUA/THE EDGE SINGAPORE

OUE’s Riady: We are focused on improving capital efficiency to optimise investment returns and earnings quality while transitioning to an “asset-right” model

Meanwhile, revenue from OUE’s healthcare segment surged 79.1% y-o-y to $79.8 million in 1HFY2023 due to recent acquisitions. In March 2022, First REIT completed the acquisition of a portfolio of 12 nursing homes in Japan from OUE Healthcare (OUEH), resulting in the consolidation of First REIT by OUE. In June 2022, OUEH and OUE set up a joint venture (JV) with three renowned medical specialist groups in Singapore to form O2 Healthcare Group, a medical group focusing on respiratory care and cardiothoracic surgery.

Based on OUE’s returns to shareholders over three years, the group has emerged as a winner among real estate listed companies in *The Edge Singapore*’s Billion Dollar Club Awards 2023.

‘Seizing the opportunity’

The return on investment of the 23-month-long AEI at HSO has far exceeded management’s expectations, says Riady. “We embarked on the AEI shortly after Covid-19 hit and seized the opportunity to complete the rebranding exercise while continuing to keep the hotel operational. By doing this, there was very little opportunity cost for us.”

Together with OUE C-REIT, OUE reopened the 634-room Mandarin Wing in February 2022, before the 446-room Orchard Wing followed suit in January this year.

The decision to rebrand the hotel came after a strategic review of OUE’s hospitality operations, Riady shares. “Ultimately we decided to wind down our hospitality management business, Meritus, and rebrand Mandarin to Hilton to tap into Hilton’s global distribution network.”

The 1,080-room hotel is now Hilton’s flagship hotel in Singapore and its largest in the Asia-Pacific region.

“Whereas the old Mandarin was very popular with leisure guests from Indonesia, China and other regional Asian markets, the new Hilton now has a much more diversified business mix, including a large number of business and corporate travellers, as well as many guests from longer-haul source markets like the US and Europe,” adds Riady. “We’ve also seen a strong pick-up in the MICE sector, which contributed to HSO’s strong performance since the rebranding.”

The return of tourists should also bode well for CPCA, which is set to complete a $22 million AEI by the end of the year. Works include the addition of 12 guest rooms to a total room inventory of 575, a new and flexible 352 sq m function room and an extensive revamp of the all-day dining restaurant.

“We view AEI as a capital-efficient method to maximise the returns of our assets,” says Riady. “The AEIs of HSO and CPCA are both expected to be DPU-accretive to OUE C-REIT, and CPCA is expected to generate a stabilised return of investment of approximately 10%.”

Building a ‘Pan-Asian healthcare’ giant

For the healthcare segment, OUE plans to grow both organically and inorganically to expand its “Pan-Asian healthcare platform”. Riady believes Asia’s healthcare sector is “highly attractive” owing to an ageing population that requires healthcare services, particularly in developed countries like Singapore, Japan and Australia; as well as “tremendous” rising demand in developing countries like China and Indonesia.

“Not that many businesses are both an emerging and a developed market play, but healthcare is certainly one of them,” he adds. “That’s why we like healthcare; it is a defensive business.”

As a group, OUE has expanded its healthcare portfolio to Japan, China, Indonesia and Myanmar. As of June 2023, OUE’s Catalist-listed subsidiary, OUEH has a portfolio consisting of 19 operational hospitals, with another hospital under development in China, 17 nursing homes, and several medical centres and clinics.

OUEH is the sponsor and the largest unitholder of First REIT, whose manager is held via a 60:40 stake by OUE and OUEH respectively. “In 2021, we announced our ‘First REIT 2.0’ growth strategy, which includes a pivot towards developed markets. Today, our portfolio is predominantly made up of Indonesia and Japan,” shares Riady.

In China, OUEH has a JV with China Merchants Group. The JV opened a 100-bed obstetrics and gynaecology hospital in Changshu, Suzhou in May. “We’ve got about 27 confinement suites and are in the midst of ramping up. When it matures, we hope that we will deliver close to 1,000 babies a year in that hospital,” says Riady.

Next, the JV will open a “high-end international hospital” in Shenzhen to serve the affluent Greater Bay Area, which is expected to open in the second half of 2024. “That’s a bigger general hospital and where the headquarters of China Merchant Group is located. We expect that through their network and their business ecosystem, they will be able to drive quite a lot of business flow into that hospital as well,” adds Riady.

OUEH is now adding to its stable with its investment in Healthway Medical Corporation (HMC), which owns the largest primary care network in Singapore with over 100 GP and specialist clinics. HMC’s shareholders voted to delist the company at an Extraordinary General Meeting held on Sept 28. OUEH’s exit offer was concluded on Oct 26, with 26.24% out of 30.34% of minority shareholders accepting the exit offer. HMC is scheduled to be delisted in November.

“Our healthcare strategy is to anchor our regional operations on Singapore’s renowned centre of medical excellence, setting the best-in-class standards for healthcare operating expertise in the region and leveraging on the platform to capture healthcare tourism growth opportunities in the region. Our investment in HMC will accelerate our plans,” says Riady.

‘Stewarding the Environment’

In addition to growing its real estate and healthcare businesses, OUE is focused on “stewarding the environment” as one of its key sustainability strategies. “We recognise that the built environment industry represents more than a third of global GHG emissions, and so OUE is fully committed to reducing the environmental impact of our businesses,” says Riady.

OUE has implemented a range of initiatives, such as upgrading the fans of air-handling units (AHU) to optimise energy use and incorporating sensors to control lighting and temperature in select properties, among others.

Following materiality assessments, OUE has targeted to reduce water and energy use intensity by 25% by 2030 against a 2017 baseline. For commercial properties, intensity is measured per sq m of floor area, while hospitality properties are measured per occupied room.

In 2022, OUE reduced the energy intensity of its commercial assets by 18%. However, energy intensity at OUE’s hospitality properties increased last year against the baseline due to a high number of guestrooms being put out of inventory during AEI works at HSO.

Meanwhile, OUE has pledged to reduce Scope 2 emission intensity by 25% by 2030, or the emissions related to energy that is purchased and used; while “actively” pursuing opportunities in renewable energy use. Last year, OUE lowered Scope 2 emission intensity by 13.2%.

Finally, OUE is targeting to reduce non-hazardous waste intensity by 15% and increase the recycling rate to 12.5% by 2030 at commercial properties. At its hospitality properties, OUE aims to reduce plastic and paper waste by 50% by 2030.

Since 2022, OUE has completed $1.8 billion of sustainability-linked loans, increasing the Group’s sustainability-linked facilities to 63.6% of its total debt as at June. “We have actively sought to align our Group’s sustainability objectives with our capital structure,” adds Riady, “so today the majority of our borrowings are linked to our sustainability initiatives, which will allow us to further improve our cost of capital over time.”

‘Well-positioned’ for the future

OUE was founded in 1964 and will celebrate its 60th anniversary next year. The group is “well-positioned for the future”, says Riady, with a healthy capital structure and low gearing. As a result of its “asset-right” pivot, OUE’s net gearing (excluding listed subsidiaries) stands at 10.8% as at June.

OUE also boasts a “balanced business model”, with stable recurring income coming from its real estate activities and growth being driven by its more recent investments into healthcare. “Real estate and healthcare will continue to be our twin engines of growth for the foreseeable future,” says Riady.

Looking ahead, the group sees opportunities in the future with “lots of dry powder”, says Riady. “Despite global headwinds and challenges ahead, we continue to expand the business carefully while managing our capital structure prudently.” E

Hyphens Pharma's high returns to shareholders fuelled by a post–pandemic boom, accretive acquisition

ALBERT CHUA/THE EDGE SINGAPORE

Zhang: Southeast Asia is the market in which we see a lot of potential in the long run

Having weathered the challenges of the pandemic, Hyphens Pharma remains dedicated to expanding its business through organic growth and acquisitions. The company is also forming partnerships and strategic ventures to facilitate expansion.

Founded in 1998 and publicly listed on the Singapore Exchange (SGX) in 2018, the group has earned a reputable position in the pharmaceutical industry. While maintaining a robust presence in the Republic, it is steadily expanding its footprint throughout Southeast Asia, across various business segments.

The first, the specialty pharma segment, focuses on commercialising and promoting pharmaceutical products across various specialties like dermatology, radiology and allergy. These products are distributed in selected Southeast Asian countries through exclusive distributorship, licensing and supply agreements with reputable American or European brands.

Hyphens Pharma's second segment, proprietary brands, concentrates on developing, marketing, and selling its dermatology and health supplement products, branded as Ceradan and Ocean Health.

Their third segment, medical hypermarket and digital, is engaged in wholesale pharmaceuticals and medical supply in Singapore, serving healthcare professionals, institutions, and pharmacies.

With its comprehensive portfolio, Hyphens Pharma effectively meets the diverse demands of various Southeast Asian markets. "Southeast Asia is a very fragmented market, we engage local teams who understand the local market well. When we work with pharma principals from Europe and the US, we leverage on our strong abilities in local regulatory affairs, sales and marketing, and become their expert in local distribution," says the company's chief financial officer, Flora Zhang, in an interview with *The Edge Singapore*.

Segment expansion

Hyphens Pharma's capability to navigate regulatory and licensing challenges has facilitated the expansion of its various segments and the nurturing of its proprietary brands in regions where it operates. Concurrently, the company is actively seeking international partnerships to broaden its global reach.

Apart from its strong licensing capabilities, Zhang highlights Hyphens Pharma's competitive advantage from its reputable brands and extensive network. "We have been around for a long time, for over 20 years in some countries, and we have a very strong network and collaboration with the local distributors and hospitals. We are an established partner in Southeast Asia, and our ability to obtain approval on new drug registrations has been proven with a great track record," adds Zhang.

To sustain this growth in the industry, she highlights that the company is committed to continual advancement. "When we look at the three main business units, we see substantial progress. Since 2018, we have been widening our product portfolio," adds Zhang.

In the first quarter of FY2023, which ended on March 31, the revenue from Hyphens Pharma's specialty pharma principals segment decreased by 12.9% y-o-y.

This decline was mainly attributed to the conclusion of its distributorship agreement for Biosensor products.

Responding swiftly, the group sought a new distribution opportunity with French paediatric pharmaceutical company Laboratoires Gilbert S.A.S. in 1HFY2023. The group is also aggressively acquiring new licensing opportunities for drugs such as Winlevi, Byfavo and Nabota in various countries.

"If we look at the first quarter of this year, there's a drop in revenue because of the loss of Biosensor, whose distribution agreement ended (with us) last year. Following the loss of Biosensor sales in 1QFY2023, we quickly identified alternative products and recovered sales in the following quarter," says Zhang.

During the pandemic, she characterised the company's profit growth in FY2020 as being "slower" due to global disruptions. Despite the challenging times, Hyphens Pharma reported earnings of $11.4 million for FY2022, up 66.7% y-o-y, supported by record revenue of $162.3 million, demonstrating substantial 28.9% y-o-y growth.

'Accumulated demand'

Shareholders were paid a dividend of 1.1 cents for FY2022, up from just 0.67 cents in the previous year. Zhang attributes the better showing to "accumulated demand" as the group's markets recovered from the pandemic and the acquisition of Novem Group at the end of 2021.

In FY2022, the group's pharma segment revenue rose 45.8% to $95.7 million, led by strong sales in Singapore, Vietnam, and Malaysia. The proprietary brands segment also saw a 22.9% revenue increase to $23.4 million, attributed to the growing demand for products like Ceradan and Ocean Health supplements.

With robust performance in FY2022 and the two preceding years, Hyphens Pharma was recognised at this year's Centurion Awards as the company that delivered the highest returns to its shareholders, among its peers in the healthcare services and pharmaceuticals sector.

Despite the positive results, Hyphens Pharma remains vigilant and proactive.

"Post-Covid-19, the environment has changed. We see disruptions, especially in supply chains, and the economic landscape remains unpredictable. We are navigating through this by expanding our product range, diversifying our portfolio and constantly seeking new products to tackle and diversify risk," she adds.

Growth trajectory

As part of its ongoing growth strategy, Hyphens Pharma has embarked on mergers and acquisitions (M&A) to enhance its performance and growth trajectory.

Aside from the record revenue numbers, which Zhang attributes to demand built over time, she points to the incremental revenue of $15.7 million from Novem, a consumer healthcare and pharmaceutical company acquired by Hyphens Pharma at the end of 2021, as a contributing factor.

"That was an exemplary example of the M&A strategy we were pursuing, a strategic, local player complementing Hyphens' existing business. Novem leans towards the public sector as they supply to hospitals, which complements Hyphens' distribution network, which caters more to the private sector," says Zhang.

She adds that in Southeast Asia, inorganic growth is vital for Hyphens Pharma to expand into existing and new markets for accelerated growth.

"We look for M&A targets with products that complement our current range or new market presence that we are interested in. They typically have an established network and existing pharma products in the commercialisation stage."

Hyphens Pharma has formed partnerships to boost its growth. Last May, Metro Holdings invested $6 million in Hyphens Pharma's subsidiary, DocMed Technology, a digital health platform. Metro Holdings, also listed on SGX, operates in various markets, including property and retail.

Digital platforms

DocMed also aims to create digital platforms to improve the healthcare supply chain. This digital ecosystem includes WellAway, an e-prescription platform enabling online prescriptions and direct drug orders for patients. It is the city-state's first and only Health Sciences Authority (HSA)-registered E-Pharmacy. Another platform is POM, a B2B (business-to-business) marketplace providing drug and medical supplies to medical professionals.

"DocMed aims to provide a B2B digital pharmacy solutions platform to connect healthcare stakeholders, including healthcare practitioners such as doctors and pharmacists, and healthcare institutions such as clinics and hospitals, with industry stakeholders such as pharmaceutical companies and medical consumables manufacturers, to empower them to meet patients' needs more efficiently," says Zhang.

Hyphens Pharma's efforts to streamline the medical hypermarket and digital segment appear poised for growth in the long run, as revenue from the segment grew to $43.2 million in FY2022 from $41.2 million the year before, a stable but moderate rise of 4.9%.

The group will further develop its proprietary segments to secure a larger portion of the regional market, capitalising on the increasing income levels that drive greater demand for healthcare and increased consumer spending.

Other positive trends, like more comprehensive insurance coverage, will further reinforce these efforts.

She adds: "In the near term, we still see market uncertainties relating to supply chain disruptions and the macro-economic environment. Consequently, our focus remains on maintaining the same level of performance as the previous year, which was a record year. In the long run, Southeast Asia is the market in which we see a lot of potential." E

Silverlake Axis future-proofs its success by staying true to its vision

With disruption as the new normal, companies need to use their long-term vision as their North Star to navigate through uncertain times. Silverlake Axis has enjoyed the benefits of doing so. By focusing on its vision of becoming Asia Pacific's largest digital economy solutions company, Silverlake Axis has grown from its modest beginnings back in 1989 to become a multinational firm with record revenue of RM765.9 million ($220.2 million) for FY2023 ended June.

Silverlake Axis also won the Best Return on Equity award in the banking & investment services, collective investments, fintech & infrastructure, and insurance category of *The Edge Singapore*'s Centurion Club. Its weighted ROE was 23.8% from FY2020 to FY2022, which was the period under consideration for this year's awards.

"We've had two years of stable growing revenue, which is primarily built on the back of our core banking business. Additionally, our insurance and retail businesses help us to enter new markets, develop new solutions and diversify our revenue sources," says Cassandra Goh, Silverlake Axis' executive director and deputy executive chairman, in an interview with *The Edge Singapore*.

She continues: "What differentiates us from competitors is our strong domain knowledge and local presence. We've built up a lot of domain knowledge in banking across Southeast Asia for over 30 years by helping banking customers use tailor-made solutions to keep pace with change. Moreover, we take a mathematical approach in how we work to ensure that our business is sustainable. By harnessing mathematics to develop and refine products, we can maximise the potential of technology to solve real-world problems across multiple industries and markets."

SILVERLAKE AXIS

Goh: We're helping banks modernise their core banking systems so that they can focus on their core business while having the flexibility to capture new opportunities that may arise from hype or emerging technologies like artificial intelligence

Focusing on the core

According to market research firm International Data Corp, 60% of banks in the Asia Pacific region are expected to make significant changes to their core banking systems in the next three years. By shifting to digital core banking systems, banks will be able to free up technical debt, respond to changing regulations faster, and leverage the ecosystem model of banking. They can also develop innovations faster and deliver more customer-centric experiences to better compete with digital-native banks.

The good news is that 40% of the top 20 largest banks in Southeast Asia are already using Silverlake Axis' digital core banking solutions. Goh shares: "We're helping banks modernise their core banking systems so that they can achieve short-term goals, pivot to customer needs by launching new products, offer customisation and increase speed-to-market, as well as ensure those systems are stable and reliable even in the long run. That way, they can focus on their core business such as growing their loan books while having the flexibility to capture new opportunities that may arise from hype or emerging technologies like artificial intelligence. This is in line with Sun Tzu's *Art of War* teachings."

However, she notes that the traditional rip-and-replace approach to modernising core banking systems is highly risky, and banks cannot afford service disruption. It is with this understanding that Silverlake Axis designed its end-to-end banking platform Möbius to co-exist with legacy core banking systems, allowing banks to migrate to the new platform progressively. Möbius supports all aspects of commercial banking from the access point via its digital bank channels all the way through various product orchestrations (including onboarding, origination, and product management) to customer accounting and product processing.

For example, Siam Commercial Bank is using Möbius in AutoX, its subsidiary offering micro-loans. AutoX uses the Möbius Digital Core and Möbius Open Banking Platform to handle end-to-end processing — from application, loan origination, digital onboarding, and disbursement — using a cloud-native approach deployed outside its legacy core. It can therefore automate the loan cycle, which can be completed in 20 minutes and does not require any face-to-face contact with the customer. This project took less than 10 months to be remotely completed (from inception to soft launch) during the pandemic.

Beyond banks

Besides banks, Silverlake Axis is also helping organisations from other industries to transform and thrive in the digital economy. It serves more than 400 enterprises in 70 countries across Europe, Africa, the Indian subcontinent, the Middle East, Asia, and the Americas.

The insurance industry holds significant growth opportunities for Silverlake Axis. Goh explains: "The insurance industry is still very much reliant on paperwork and manual processes so there's a lot of interest from insurance companies to digitalise their operations. Through our insurance tech arm Fermion, we can help them build more interconnected insurance ecosystems too."

Fermion can connect insurers to banks and financial institutions so that insurance products can be seamlessly embedded into the customer journey. Providing personalised, needs-based contextual experiences this way will help insurers find new sources of revenue through the ecosystem and remain competitive in the digital economy. Currently, Fermion has more than 12,000 ecosystem partners across 29 markets globally.

Silverlake Axis' efforts to diversify its revenue channels have been fruitful. Its total recurring revenue — comprising maintenance and enhancement services, insurance ecosystem transactions and services, and retail transactions processing — increased 5% from RM540.6 million to RM569.4 million in FY2023. This recurring revenue contributed approximately 75% of total group revenue and has consistently remained the key revenue driver for the group.

Moving towards the cloud

Regardless of industry, digitally transforming an organisation is a continuous journey due to tech advancements and the ever-changing demands from customers and the business. Committed to being a long-term digital transformation partner, Silverlake Axis will keep on enhancing its solutions and developing new ones that can help its customers optimise their operations and grow their business.

Delivering more cloud-native solutions like Möbius will be one of Silverlake Axis' priorities moving forward. Goh says: "Cloud is one of the avenues of our business growth. Our clients are increasingly looking at cloud-based solutions to improve business and operational efficiency. We are also seeing more smaller banks willing to scale up with the cloud. Besides that, some organisations choose to focus on their core business and outsource parts of their back-end IT. So, managed services is also a big focus area for us."

The move towards offering more cloud-based and managed services is supported by the company's financial results. RM96.8 million or 13% of total group revenue was delivered via cloud computing in FY2023, 2% higher than RM95.3 million recorded in the previous year. Additionally, revenue from software-as-a-service (SaaS) grew 37% to RM52.2 million, constituting 7% of the total group revenue in FY2023.

As for maintenance revenue, it increased 5% to RM257.3 million. Silverlake Axis expects this revenue segment to grow as new maintenance contracts and support will commence when current projects are completed and successfully handed over to the clients. Meanwhile, enhancement services revenue increased 1% to RM255.8 million in FY2023.

Cloud Link is among the company's new solutions, which Goh says will enable organisations to successfully leverage emerging technologies while ensuring the reliability of their IT systems. "Cloud Link provides the linkage between the open, digital world to the old world of say your stable core banking systems. It can help manage the life cycle and communication between microservices to enable scalability and fault tolerance. It can also orchestrate and manage application programming interfaces [APIs] so that when an organisation, for instance, plugs in AI models, it has visibility on how the models are accessing data and what data they are using."

Transforming to sustain success

Similar to its customers, Silverlake Axis is transforming itself to keep pace with changes and continue delivering value. This includes changing its organisational structure to be more "anti-fragile" by organising its teams around specific domains of knowledge instead of products. "We want to have groups of people who are hyper-specialised in understanding the loans market, the credit card market and so on, so that we can better offer our knowledge and solutions in a more consultative way," says Goh.

She adds that the company is looking to leverage new technologies to improve internal processes and get employees familiarised with them. For instance, generative AI may be used to handle routine tasks in coding to enhance a software developer's efficiency.

In terms of product development, Silverlake Axis is building solutions based on new frameworks like microservices and ensuring those solutions are open in nature (or can be connected to third-party services) so that customers can be agile and easily adapt to changes.

Having the right talent is also key to business success. Goh shares that Silverlake Axis is planning to launch an academy to train its employees with the necessary skills such as banking domain knowledge or Java skill sets. This is in addition to its recent partnership with Forward School, a skills school based in Penang, Malaysia, to foster the next generation of technical talent and build a sustainable talent pipeline for itself and the region.

Goh believes these transformation efforts will help secure Silverlake Axis' growth in the region and beyond. She says: "These initiatives will empower us to solve customers' problems in a better and more creative way instead of simply selling products. This leads to a win-win situation for both sides — for us, it helps generate repeated income." She adds that the company is keen to further expand into growth markets within Southeast Asia, namely Indonesia, Thailand and Vietnam. It is also putting in resources to solidify its position in the Middle East. E

Top award in financial services for companies under a billion goes to Sing Investments & Finance

Blending the best of technology with the essence of humanity

The Edge Singapore's Billion Dollar Club Awards have shone a spotlight on Sing Investments & Finance (SIF). In the Centurion Club sector for companies with a market capitalisation of less than $1 billion, SIF won three awards. It was the overall winner in the Banking & Investment Services, Collective Investments, Fintech & Infrastructure, and Insurance categories. It also clinched the awards for the highest shareholder returns over a three-year period and the increase in post-tax profits over the same duration.

SIF, a 60-year-old company, is one of the three finance companies listed on the Singapore Exchange. "As a heritage finance institution with close to 60 years of experience and counting, we bring with us strong roots in finance that abide by authenticity, integrity, and sincerity. With a human-first approach, we endeavour to always provide trusted and greater financing solutions to our customers," says Lee Sze Leong, who is the managing director and CEO of SIF.

As a finance company licensed by the Monetary Authority of Singapore, SIF offers a full spectrum of financial products and services which include accepting fixed and savings deposits from the public, and providing loans and credit facilities to individuals and corporations, particularly local SMEs. The company's customer base is well-diversified, spanning various business sectors and industries.

The relationship managers (RMs) in SIF provide a one-stop service to both its corporate and individual customers and, as such, have a complete picture and a good understanding of the SMEs and their directors. "We position ourselves as personal banker to both SME and individual customers through building a more personalised and trusted relationship," Lee says.

SING INVESTMENTS & FINANCE

Lee: A heritage finance institution with close to 60 years of experience and counting, we bring with us strong roots in finance that abide by authenticity, integrity, and sincerity

Customised services and a healthy loan book

The RMs go above and beyond to understand customers' unique needs, and are able to craft tailor-made financing solutions that align with customers' requirements. "By striving to gain a deep understanding of our customers' businesses and needs, our nimble and agile approach enables us to offer customised solutions to smoothen their business workflow, effectively taking care of their entire end-to-end process — a rarity in today's financial sector — instead of having a one-size-fits-all approach," Lee says.

SIF currently serves its customers from four physical branches, and also digitally. Its branches are strategically located at 96 Robinson Road, Ang Mo Kio Avenue 6, Bedok North Street 1 and Jurong Gateway Road.

Lending to SMEs ranks among SIF's core businesses. In FY2022, its loan book expanded in line with the economic recovery. As at end-June 2023, SIF's loan book stood at $2.366 billion compared to its deposit base of $2.864 billion, translating into a loan-to-deposit ratio of 82.6%.

As at June 30, SIF's non-performing loan ratio is just 0.8%. Meanwhile, SIF's net profit after tax in FY2022 has increased by 153% from 10 years ago, giving an annual 10% CAGR. To celebrate SIF's long-term performance, this year, its board of directors rewarded shareholders with a dividend of 10 cents per share — the highest in recent years — and a one-for-two bonus issue.

SIF

SIF serves its customers from four physical branches, including SIF Building at 96 Robinson Road, and also digitally

The digital stack

The company has overhauled its core banking system into one that is digitally enabled. SIF rolled out its retail mobile app, SIF Mobile, in 2019 with biometric access control. It also rolled out its business mobile app, SIF Biz, in 2022, making it the first of the three finance companies to have both apps for their customers. These apps offer a suite of online services.

The retail app, SIF Mobile, allows customers to open savings and fixed deposit accounts; perform fund transfers via FAST; and view their transaction history and e-statements, loan details, alert notifications, and more. The SIF Biz app allows business customers to perform online fund transfers via FAST; place fixed deposits; view account information, transaction history and cheque status; make loan payments and redemptions; approve transactions and loan payments; view alert notifications — all online — and more.

SIF's strategy is to integrate digital technologies into business processes, customer interactions, and product offerings whenever possible. "The aim is to enhance efficiency, improve our customers' experiences, and create new business opportunities for the company. We see that this is important, as a robust digitalisation strategy can help position the company ahead of its competitors, especially in the era where customers increasingly expect seamless, quick, and convenient solutions," Lee says.

"We believe that digitalisation, when properly implemented, can help lower costs, increase scalability, improve the customer experience, and enable the company to reach a wider group of customers," Lee adds.

Digitalisation has enabled the company to leverage data analytics and artificial intelligence (AI) to further improve its efficiency, services and effectiveness to face fierce banking competition.

AI automation tools are used to streamline processes and reduce manual tasks, increasing productivity, reducing errors and saving time. "We also leverage data analytics to monitor regulatory compliance. This helps us remain compliant," Lee says.

Sustainable practices

The SIF board of directors plays a key role in overseeing the implementation of its ESG and climate risk framework and policies, and also in setting the right tone at the top to embrace policies and practices that promote sustainability, good governance, and corporate social responsibility. These include being environmentally friendly; promoting equality, diversity, and inclusion in the workplace; treating employees with respect; giving back to the community via corporate programmes for the underprivileged; and ensuring business decisions are ethical.

As SIF looks to the future, it will continue to build on its strong SME franchise and grow its business with integrity and a high standard of business ethics. At the same time, SIF will strive to be responsive to its customers' needs by offering the best of technology with the essence of humanity to fulfil their financing needs and establishing itself as their trusted financial ally. E

Sri Trang Agro strives for efficiency enhancements amid capacity expansion endeavour

Natural rubber company Sri Trang Agro-Industry (STA) has navigated through several recent tumultuous years. Throughout this period, the company grappled with the fluctuating natural rubber prices, weather conditions, persistent concerns surrounding prolonged high interest rates and the disruptive impact of geopolitical crises on demand and supply dynamics.

Leveraging its robust fundamentals, however, STA has managed to continuously demonstrate outstanding performance — emerging as the winner of the Billion Dollar Club 2023 award for return to shareholders over a three-year period in the automobile and auto-parts sector.

"Being in the commodities business, each year is different — there are great years, average years and years that are a bit more difficult to manage. Unfortunately, most years are the latter, but our team across the Sri Trang Group have worked hard to ensure growth and outperformance," says STA managing director and CEO Veerasith Sinchareonkul.

"In fact, we have regularly paid dividends across the past 20 years, safe for 2017 when we took a big hit from the highly volatile commodity prices," he adds. For its FY2021, STA paid a total dividend of THB4.15 per share, an all-time high on the back of record high net profit of THB15.85 billion.

This is as glove "became gold" during the demand spike in Covid-19, as STA's glove business subsidiary's contribution to the group revenue grew exponentially. That said, unlike some of its industry peers, STA had been investing in its glove making business since 1989. This follows the vision of its founder and team of directors, allowing the company to enjoy decent revenue from the operations before taking in the demand bonus of the past few years.

"Nevertheless, we continually remind ourselves not to dwell on past achievements. We approach the future with a sense of caution as we prudently manage expenditures and optimise efficiency, focusing on maximising output while minimising the use of resources. This mindset positions us well to adapt to the eventual normalisation of glove demand," Veerasith said.

SRI TRANG AGRO-INDUSTRY

Veerasith: Sri Trang Group have worked hard to ensure growth and outperformance

Achieving sustainability goals

Established in 1987, STA began as a small rubber trading company in South Thailand before gradually expanding its operations. It hit a significant milestone in 1992, when the company was publicly listed on the Stock Exchange of Thailand (SET). Fuelled by fresh capital, STA scaled its business to markets like Singapore, US, Indonesia and China, leading to an eventual secondary listing on the Singapore Exchange (SGX) in 2011.

Amid the Covid-19 pandemic in 2020, STA's glove making subsidiary Sri Trang Gloves (STGT) went public on the SET, subsequently secondary-listed on the SGX in the following year.

Today, STA's business consists of upstream rubber plantation engagement, midstream natural rubber products processing and distribution, and downstream gloves production and distribution, among others goods. STA manages 7,500 hectares of rubber plantations and other economic crops in 19 provinces of Thailand, with an annual production capacity of 3.42 million metric tonnes as at the end of June 2023 — the largest in the industry. Meanwhile, its downstream operations have an annual production capacity of 55.3 billion pieces — the largest gloves manufacturer in Thailand.

While it has been focusing on production, STA is also simultaneously working on its dedication as a "Green Rubber Company" as it continues to highlight its sustainability and transparency efforts. This is as Thailand plays a crucial role in global rubber production, supplying over 30% of the global market volume. The country's commitment to environmental, sustainability and governance principles as well as carbon neutrality in rubber production aligns with STA's sustainability focus, Veerasith said.

STA's sustainability commitment is emphasised through its sustainability strategy called the "4 Green" strategy, which is comprised of "green products" (ensuring products are free of chemical substances that detrimentally affect the health and safety of end-users), "green procurement" (sourcing raw materials from ethical suppliers with sustainable practices), "green process" (ensuring production without adverse impact on the environment and the neighbouring communities) and "green company" (ensuring good governance and people management).

The company has achieved various important milestones in its sustainability journey thus far. For one, it is the world's first fully-integrated rubber company to certify Forest Stewardship Certification (FSC) for its whole latex supply chain in 2019. Additionally, over 28,000 raise (4,480 hectares) of its rubber plantations have received FSC certification.

As the company further reaffirms its green rubber commitment, STA seeks to be carbon-neutral by 2030 and aims to achieve the Net-Zero Emissions target by 2050, done via greenhouse gas (GHG) emissions reduction as well as carbon offsetting and carbon sequestration. To reduce its GHG emissions, the company has been implementing energy efficiency and process improvement projects, aside from utilising electric vehicles in business processes and increasing the proportion of renewable energy consumption, such as biomass energy and solar power in business operations. In fact, over 70% of the company's productions now rely on renewable energy, Veerasith said.

Last year, the company completed the installation of the floating solar power project at its facility in Mukdahan province. The company has registered the project with the Thailand Voluntary Emission Reduction (T-VER) programme in order to certify the amount of GHG emissions reduction from the project. The company is also expanding the floating solar projects to its factory branches in Thung Song, Huai Nang and Udon Thani. Furthermore, the company has registered its rubber plantations with the T-VER programme for the carbon credits certification. Based on the development of these initiatives, STA is confident that it is able to reach its carbon neutrality by the set deadline or even earlier, Veerasith adds.

Digitalisation efforts

Although STA has stayed resilient and sustained its operational performance in recent years, the company acknowledges that it cannot afford to stay complacent. Therefore, the company has introduced forward-looking initiatives such as the "Sri Trang Ecosystem", a sustainable supply chain that caters to the needs of all stakeholders.

Sri Trang Ecosystem helps the company to digitalise, ensuring that data is stored accurately and on a real-time basis especially as it deals with many vendors and thousands of trading transactions everyday. It also assists in making STA's operations more transparent, ensuring better traceability from rubber tree cultivation to the delivery of traceable products.

This is made possible with the introduction of two Mobile Applications — "Sri Trang Friends" and "Sri Trang Friends Station", which enable the company to online-purchase rubber from Thai rubber farmers, traders and partners anytime, anywhere. This helps reduce the number of procurement centres located in many areas, effectively reducing the company's fixed costs, Veerasith explains.

But that is not all — STA also has numerous research and development projects, covering all product groups to improve the efficiency of production processes and enhance its products quality.

"For example, we have previously introduced the world's first non-detectable protein latex gloves, which have been proven to have non-detectable levels of the four principle allergenic proteins. This means that people with protein allergies can use our latex gloves without any concerns. We hope to launch more innovative and sustainable products in the near future," Veerasith said.

Moving forward, Sinchareonkul is positive that the STA is able to achieve its natural rubber production capacity target of 4.16 million metric tonnes per year by 2025. He believes that with the team of highly talented and skilled workforce coupled with technological advancements and efficient cost management, the company is able to meet its goals, ramp up production and reap future opportunities. E

Winners of the 2023 Billion Dollar Club and Centurion Club organised by The Edge Singapore

Ng Yao Loong, chief financial officer of the SGX Group, which is the Supporting Partner of the BDC

Lee Wei Hock, deputy assurance leader at EY, Official Knowledge Partner of the event

Victor Lee, CEO of CIMB Singapore, the Official Bank Sponsor of the event

Sylviane Carot, Head of APAC ESG Alliances and Redistribution of Morningstar Sustainlytics, ESG Partner of the event

The EQS SUV, presented by Mercedes-Benz Singapore, Official Car Sponsor of the event

Nadia Heng, emcee of the awards dinner

Billboard of Billion Dollar Club and Centurion Club Winners

Esther An, chief sustainability officer of City Developments, receiving the Best ESG Risk Ratings award from Sylviane Carot of Morningstar Sustainalytics

Ho Mang Chan, chief financial officer of The Hour Glass, with Bernard Tong, CEO of The Edge Singapore and EdgeProp Singapore. The Hour Glass made a clean sweep of all awards in the BDC sector of cyclical consumer services + retailers. It has been named Company of the Year as well

Lee Ghai Keen, CEO of technology product and solutions at Venture Corp, receiving the returns to shareholders and overall winner awards in the BDC sector of technology equipment + telecommunication services

Brian Riady, deputy CEO of OUE, receiving the returns to shareholders award in the BDC real estate sector

Valerie Wong, managing director of asset management at GuocoLand, receiving the overall winner award in the BDC real estate sector

Ho Jenny, general manager (marketing & sales) of Bukit Sembawang Estates, receiving the weighted ROE award in the BDC real estate sector from Victor Lee, CEO of CIMB Singapore

Sanjeev Dasgupta, CEO of CapitaLand India Trust, receiving the weighted ROE award in the BDC REITs sector

Vincent Yeo, CEO of CDL Hospitality Trusts, receiving the returns to shareholders award in the BDC REITs sector

Anthea Lee, CEO of Frasers Logistics & Commercial Trust, receiving the growth in PAT and overall winner awards in the BDC REITs sector

Sharon Tan, chief operating officer of DBS Singapore, receiving the overall winner award in the BDC sector of banking & investment services + insurance + fintech & infrastructure. The bank won the growth in PAT award too

Jean-Paul Wong, general manager of FSMOne.com cum director of corporate communications at iFast Corp, receiving the returns to shareholders and weighted ROE awards in the BDC sector of banking & investment services + insurance + fintech & infrastructure

Sheila Ng, chief financial officer of Raffles Medical Group, receiving the overall winner award in the BDC sector of healthcare services + pharmaceuticals + biotechnology & medical research

Ngo Get Ping, independent non-executive director of Top Glove Corp, receiving the weighted ROE award in the BDC sector of healthcare services + pharmaceuticals + biotechnology & medical research

Penelope Koh , vice-president of investors relations at IHH Healthcare receiving the growth in PAT award in the BDC sector of healthcare services + pharmaceuticals + biotechnology & medical research from SGX's CFO Ng Yao Loong

Tong Yew Heng, CEO of NetLink NBN Trust, receiving the growth in PAT award in the BDC sector of technology equipment + telecommunications services

Amelia Lee Jing Wen, head of investor relations at StarHub, receiving the weighted ROE award in the BDC sector of technology equipment + telecommunications services

Karin Xiao, deputy head of group corporate communications at Sembcorp Industries, receiving the returns to shareholders and overall winner awards in the BDC sector of energy – fossil fuels + chemicals + holding companies + utilities

Veerasith Sinchareonkul, managing director of Sri Trang-Agro Industry, receiving the returns to shareholder award in the BDC sector of automobiles & auto parts + transportation

Lee Eng Keat, head of strategy, communications and property at SingPost, receiving the growth in PAT award of the BDC sector of automobiles & auto parts + transportation

Richard Fung, director of investor relations at Golden Agri-Resources, receiving the returns to shareholders and overall winner awards in the BDC sector of food & beverages + food & drug retailing

Billboard of Billion Dollar Club and Centurion Club Winners

Raymond Poh Boon Hu, independent non-executive director of Yangzijiang Shipbuilding, receiving the returns to shareholders and overall winner awards in the BDC sector of the industrial conglomerates + industrial goods

From left: Kelvin Fong, deputy CEO of PropNex, and Ismail Gafoor, executive chairman and CEO of PropNex with Claudius Steinhoff, CEO of Mercedes-Benz Singapore. PropNex made a clean sweep of all sector awards in the Centurion Club real estate sector

Agnes Wong, managing director for finance at Samudera Shipping Line, which made a clean sweep of all four sector awards in the Centurion Club sector of automobiles & auto parts + transportation

Lee Sze Siong, deputy managing director of Sing Investments & Finance, which won all except the weighted ROE award in the Centurion Club sector of banking & investment services + collective investments + fintech & infrastructure + insurance

Kenny Wong, financial controller of Cortina Holdings, with Chan Chao Peh, editor of The Edge Singapore. Cortina received the returns to shareholders, weighted ROE and overall winner awards in the Centurion Club sector of food & beverages + retailers

Selina Ho, head of investor relations and corporate secretariat at The Straits Trading Company, with Goola Warden, executive editor of The Edge Singapore. Straits Trading received the growth in PAT and overall winner awards in the Centurion Club sector of applied resources + chemicals + energy – fossil fuels + mineral resources + renewable energy + utilities

Steven Lim Jun Xiong, lead independent non-executive director of Riverstone Holdings, which won all but return to shareholders awards in the Centurion Club sector of healthcare services + pharmaceuticals

Xu Jiguo, chief procurement officer of BRC Asia, receiving the returns to shareholders, and overall winner awards in the Centurion Club sector of cyclical consumer products + cyclical consumer services

Steven Chong, lead independent director of Civmec, receiving the growth in PAT and overall winner awards in the Centurion Club sector of industrial & commercial services + industrial goods

Cecilia Tan, CEO of Sasseur Asset Management, receiving the weighted ROE and overall winner awards in the Centurion Club REITs sector from Lee Wei Hock, EY's deputy assurance leader

Donald Han, CEO of Sabana REIT, receiving returns to shareholders award in the Centurion Club REITs sector

Kevin Tan, head of investor relations and capital markets at IREIT Global receiving the growth in PAT award in the Centurion Club REITs sector

Lim Christina Hariyanto, executive director of Bumitama Agri, receiving the growth in PAT award in the Centurion Club sector of food & beverages + retailers

Ong Kian Min, lead independent non-executive director of Silverlake Axis, receiving the weighted ROE award in the Centurion Club sector of banking & investment services + collective investments + fintech & infrastructure + insurance

Dato' Sri Ivan Chee Yew Fei, executive director and CEO of Fortress Minerals receiving the weighted ROE award in the Centurion Club sector of applied resources + chemicals + energy – fossil fuels + mineral resources + renewable energy + utilities

Lim See Wah, chairman and CEO of Hyphens Pharma International, receiving the returns to shareholders award in the Centurion Club sector of healthcare services + pharmaceuticals

Wendy Tan, vice president of finance at Micro-Mechanics, receiving the weighted ROE award in the Centurion Club sector of industrial & commercial services + industrial goods

Stanley Loh, executive director of UMS Holdings receiving the growth in PAT award in the Centurion Club sector of software & IT services + technology equipment

Michael Yap, CEO of Azeus Systems, receiving the returns to shareholders award in the Centurion Club sector of software & IT services + technology equipment

Karen Wong Kok Yoong, executive director of Kimly, receiving the weighted ROE award in the Centurion Club sector of cyclical consumer products + cyclical consumer services

Our distinguished guests

From left: Ho Mang Chan of The Hour Glass, Lee Wei Hock of EY, Bernard Tong of The Edge Singapore, Victor Lee of CIMB Singapore, Terry Wee of EY, Foo Tsiang Wei of CIMB Singapore, Claudius Steinhoff of Mercedes-Benz Singapore, Ng Yao Loong of SGX Group


Second row, from left: Nicolas Gisbert of Morningstar Sustainalytics, Yap Rueh Yinn of Top Glove Corp, Chan Chao Peh of The Edge Singapore, Manu Bhaskaran of Centennial Advisors
Front row, from left: Chan Kum Kong of SGX Group, Ngo Get Ping of Top Glove Corp, Lee Ghai Keen of Venture Corp, Sylviane Carot of Morningstar Sustainalytics


Second row, from left: Brian Riady and Lee Wee Tat of OUE, Ismail Gafoor of PropNex, Briston Loo and Lim Tze Yuen of EY
Front row, from left: Cecilia Chow of EdgeProp Singapore, Esther An and Lee Mei Ling of City Developments


Second row, from left: Gerald Woon of Cogent Communications, Lim See Wah and Yann Marche of Hyphens Pharma International, Thiveyen Kathirrasan of The Edge Singapore
Front row, from left: Toh Sock Kuan of CIMB Singapore, Flora Zhang of Hyphens Pharma International, Goola Warden of The Edge Singapore


Second row, from left: Patrick Ling, Lim Lee Mei and Lee Sze Siong of Sing Investments & Finance, Veerasith Sinchareonkul and Tristan Lee of Sri Trang Agro-Industry
Front row, from left: Vivian Teng and Wendy Lee of Sing Investments & Finance, Nicole Lim of The Edge Singapore, Nattee Thiraputhbhokin and Kittikhun Sumrajkhitjaroen of Sri Trang Agro-Industry


Second row, from left: Fang He, James Kwie and Chiang Joon-Arn of The Straits Trading Company, Cowie Tan of The Edge Singapore, Kenny Wong of Cortina Holdings, Alan Lee of August Consulting
Front row, from left: Selina Ho of The Straits Trading Company, Bernardette Koh of CIMB Singapore, Karen Gu of Cortina Holdings


Second row, from left: Mark Lim of City Developments, Lucas Lim Abucay Jr of Millennium Hotels and Resorts, Roy Chiang of CBM, Alvin Tan and Lawrence Kwok of City Developments
Front row, from left: Samantha Tan of South Beach Developments, Esther An, Lee Mei Ling, Belinda Lee and Qian Xue Jia of City Developments


Second row, from left: Eddie Lim of PropNex Realty, Michael Yap of Azeus Systems, Bernard Tong of The Edge Singapore, Ismail Gafoor, Kelvin Fong of PropNex and Carolyn Goh of PropNex, Shermie Tee of EdgeProp Singapore
Front row, from left: Yap Jia Rern of Azeus Systems, Celine Peng of CIMB Singapore, Josephine Chow of PropNex


Second row, from left: Adrian Cheong of GuocoLand, Alex Tan of 8PR Asia, Andrew Chew of GuocoLand, Lim Su Xing and Ang Di Wei of CIMB Singapore, Ronald Lee of EdgeProp Singapore
Front row, from left: Valerie Wong of GuocoLand, Yeo Huisi and Ho Jenny of Bukit Sembawang


Second row, from left: Raymond Poh of Yangzijiang Shipbuilding, Tang Hong Ee, Kamal Samuel and Shivam Saraf of Financial PR, Benjamin Tan of CIMB Singapore, Alain Neo of Micro-Mechanics
Front row, from left: Wendy Tan of Micro-Mechanics, Vicki Zhou of Financial PR, Lin Meiqi and Karen Wong of Kimly


From left: Nurdianah Md Nur of The Edge Singapore, Matthew Song of SGX Group, Sazali Bin Baharom of CIMB Singapore, Ong Kian Min of Silverlake Axis, Karin Xiao and Lena Han of Sembcorp Industries, Mrs Ong Kian Min of Silverlake Axis, Emelia Tan of SGX Group; Emily Choo of Gem Comm


Second row, from left: Tang Eng Meng, Richi Chee, Edmund Chee, Ng Mun Fey, Dato' Sri Ivan Chee, Yeow May Lee, Anita Chew and Fionne Chua of Fortress Minerals
Front row, from left: Willa Chee, Ian Chee and Chew Wai Chuen of Fortress Minerals, Loong Ching Hong of Selangor Dredging, Goh Kah Im of Fortress Minerals

Our distinguished guests

Second row, from left: Ng Mun Fey of Fortress Minerals, Koh Jin Hoe and Foong Chong Lek of SGX Group, Fionne Chua of Fortress Minerals, Felicia Tan of The Edge Singapore
Front row, from left: KT Ang and Isaac Choo of Stirling Coleman, Tang Eng Meng of Fortress Minerals, Chris Lauwerys of Teneo

Second row, from left: Rohith Bhandary, Cynthia Pang, Cheah Ying Soon, Sumit Gera, Aron Chan and Nitin Sathasivam of CapitaLand India Trust
Front row, from left: Deborah Tan Yang Sock, Vishnu Shahaney, Ernest Kan Yaw Kiong and Sanjeev Dasgupta of CapitaLand India Trust

Second row, from left: Donald Han and Low Hooi Hoon of Sabana REIT, Ashley Tan of CIMB Singapore, Muhammad Ryhan and Samantha Chiew of The Edge Singapore, Trecia Wong of Venture Corporation
Front row, from left: Stanley Loh of UMS Holdings, Tham Moon Yee of Stratagem Consultants, Bryan Gomez and Kuek Wee Han of Venture Corporation

Second row, from left: Marjorie Ang of DBS Bank, Jane Wong of The Edge Singapore, Lin Liangmin and Amelia Lee of Starhub, Michael Sia of DBS Bank
Front row, from left: Sharon Tan of DBS Bank, Zach Ang of CIMB Singapore, Penelope Koh and Joshua Kuek of IHH Healthcare

Second row, from left: Lily Tan of CIMB Singapore; Chen Sau Hua and Richard Fung of Golden Agri-Resources; Victor Chan of NetLink NBN Trust, Bernard Wong of The Edge Singapore
Front row, from left: Vincent Yeo and Mandy Koo of CDL Hospitality Trusts; Elaine Tam and Kevin Tan of IREIT Global, Tong Yew Heng of NetLink NBN Trust

Second row, from left: Lee Tze Chuan of CIMB Singapore, Lee Eng Keat of SingPost, Xie Jianfeng of Sasseur Asset Management, Jean-Paul Wong and Keith Hong of iFast Corp; Jovi Ho of The Edge Singapore
Front row, from left: Sophia Ong of SingPost, Cecilia Tan, Jeanette Pang and Fong Chu Xi of Sasseur Asset Management

Second row, from left: Darren Tan, Joanna Lee, Yeo Siak Ling and Dr Tan Joo Peng of Raffles Medical Group
Front row, from left: Juliet Khew, Dr Tan Hsiang Lung, Dr Kenneth Wu, Sheila Ng and Dr Edgar Kieu of Raffles Medical Group

Second row, from left: Linda Goh of CIMB Singapore, Isaac Tang of WeR1; Lim Christina Hariyanto of Bumitama Agri; Khairani Afifi Noordin of The Edge Singapore
Front row, from left: Agnes Wong and Sandhika Stamboel of Samudera Shipping Line, Anthea Lee and Delphine Sze of Frasers Logistics & Commercial Trust

Second row, from left: Winston Choo of Sandpiper Communications, Douglas Toh and Stanley Lam of The Edge Singapore; Raymond Fam Chye Soon and Steven Lim Jun Xiong of Riverstone Holdings
Front row, from left: Mohamed Anuar Bin Idris, Gan Ah Mooi, Sabariah Binti Salleh, Chong Chu Mee and Ian Yoong Kah Yin of Riverstone Holdings

Second row, from left: Ng Boon Heng of EY, Evelyn Khoo and Ng Wee Lee of HL Bank, Gary Tan of HSBC, Danny Lim of Rajah & Tann
Front row, from left: Tan Peck Yen of EY, Xu Jiguo and Lee Chun Fun of BRC Asia

Second row, from left: Chris Johnson and Michelle Chong of Moore Stephens, Frankie Ho of Outreach Communications; Eric Ong of Maybank Securities
Front row, from left: Chrystle Kuek and Chan Mei Sum of Morgan Lewis, Steven Chong of Civmec, Chan Enjie of Lim & Tan Securities

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