

**Company Name** : Heng Huat Resources Group Berhad  
**Date** : 05 October 2017  
**Source** : The Edge Financial Daily

## HENG HUAT RESOURCES GROUP BHD (-ve)

SHARES in Heng Huat Resources Group Bhd (fundamental: 0.4/3, valuation: 0.3/3), which triggered our momentum algorithm yesterday for the fourth time this year, closed unchanged at 34 sen, with a market capitalisation of RM104.95 million.

A total of 19.6 million shares were done, versus its 200-day average trading volume of 592,543 shares. Its share price has climbed nearly 26% year to date.

Heng Huat is principally involved in the manufacturing and trading of biomass materials such as coconut and oil palm fibres. It

also produces and sells fibre mattresses and other bedding accessories, besides operating power plant and boiler turbine systems for electricity generation and steam production.

In July, the group decided to withdraw its application to transfer its listing to the Main Market, as Heng Huat said it accepted the view of Kenanga Investment Bank Bhd, its principal adviser, that it was not the best time for it to go for the transfer in the current economic environment.

As of yesterday, Heng Huat is trading at 1.3 times its book value.



|                                      |           |
|--------------------------------------|-----------|
| Valuation score*                     | 0.30      |
| Fundamental score**                  | 0.40      |
| TTM P/E (x)                          | 246.38    |
| TTM PEG (x)                          | (3.14)    |
| P/NAV (x)                            | 1.30      |
| TTM Dividend yield (%)               | -         |
| Market capitalisation (mil)          | 104.96    |
| Shares outstanding (ex-treasury) mil | 308.70    |
| Beta                                 | 1.37      |
| 12-month price range                 | 0.22-0.35 |

\*Valuation score - Composite measure of historical return & valuation

\*\*Fundamental score - Composite measure of balance sheet strength & profitability

Note: A score of 3.0 is the best to have and 0.0 is the worst to have