

Company Name : OCK Group Berhad
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Property, O&G in RHB list

Scientex, Tambun Indah make return to Top 30 Small-Cap jewels

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PETALING JAYA: SBC Corp Bhd, Inari Amertron Bhd, OCK Group Bhd, Berjaya Auto Bhd and Press Metal Bhd are among the top picks on RHB Research Institute's round-up of Top 30 Small-Cap firms in Malaysia.

According to a document sighted by *StarBiz*, the list of firms include oil and gas players Barakah Offshore Petroleum Bhd, Yinson Bhd and Perisai Petroleum Teknologi Bhd as well as a selection of property developers like SBC Corp, LBS Bina Group Bhd, Tambun Indah Land Bhd.

Other picks are from a spread of sectors like pharmacy, manufacturing, construction, steelworks, insurance, port operations, telecommunications and education.

Making a comeback on the list are Tambun Indah and plastics packaging manufacturer Scientex Bhd.

A senior banking executive from RHB Investment Bank Bhd said the companies selected usually were based on the significant upside potential across various sectors and of different sizes.

"The team usually looks at companies with a lot of upside, between 20% and 40%, looking at their target price versus current price."

When called to confirm, head of research Alexander Chia said while all companies selected had great potential for growth, the research team had its preferred sectors which made up the five top picks of the 30 companies.

"Our stock picks in this year's 'Top 30 Jewels' are in line with our top-down view of the market."

RHB small-cap jewels

Top five	Market Cap	April 25 share price (RM)	Year-to-date performance
SBC Corp Bhd	RM371.1mil	2.37	97.50%
Inari Amertron Bhd	RM1.373bil	2.76	69.62%
OCK Group Bhd	RM359mil	1.26	57.50%
Berjaya Auto Bhd	RM1.687bil	2.09	26.67%
Press Metal Bhd	RM1.887bil	3.65	57.33%

On the top five companies specifically, Chia said that aside from business fundamentals, it was the qualitative aspect of the management that shone through.

"The common theme that these companies share is a strong entrepreneurial drive displayed by their management teams in addition to a sound business model."

On the potential upside of all the small-cap jewels, Chia only described it as "robust".

SBC Corp is a Klang-based property company, with a notable joint venture project with Sabah-based Suria Capital Bhd to develop some 16.25 acres of coastal land in Kota Kinabalu as an integrated mixed development that will boost tourism to the state. Suria Capital is also on the list of 30 small-cap jewels.

Inari Amertron, an electronic manufacturing services provider, had last year doubled its production capacity via the acquisition of optoelectronics manufacturer Amertron Inc (Global) Ltd which has manufacturing facilities

in the Philippines and China.

Telecommunications counter OCK Group targets to win more contracts from local telcos this year while continuing to expand its business around the South-East Asian markets. It expects to double its order book size to RM140mil.

Berjaya Auto is the exclusive distributor of Mazda vehicles in Malaysia. It aims for a 12% jump in sales to 10,000 units this year from 8,931 units sold in 2013, boosted by the launch of six new Mazda models this year.

In its latest corporate developments reported to improve its balance sheet, Press Metal has exited its loss-making Chinese smelter business and sold the 20% stake of its Samalaju plant to Sumitomo. The company is also expected to benefit from a global upturn in aluminium prices and premium.

The 2014 edition of the RHB Research Institute's Top 30 Small-Cap Jewels will be launched tomorrow.