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RHB UNEARTH 19 NEW SMALL CAP COMPANIES FOR INVESTMENT

Kuala Lumpur – RHB Investment Bank Berhad (“RHB IB”) today unveiled the 15th edition of the *RHB Top Malaysia Small Cap Companies 20 Jewels 2019* book. The book with a total market cap of MYR10.3bn is part of a larger *RHB Regional Small Cap Compendium* that annually lists stock investment ideas from the bank’s research teams in Malaysia, Indonesia, Singapore and Thailand.

The 15th edition of the *RHB Top Malaysia Small Cap Companies 20 Jewels 2019* book features companies from nine different industry segments, with the biggest representation from the technology and industrial sectors.

During the launch of *RHB Top Malaysia Small Cap Companies 20 Jewels 2019* book, Robert Huray, CEO, RHB Investment Bank Berhad said, “Despite the slower pace of the regional economy, small cap companies offer good prospects. These companies offer excellent potential and are an attractive proposition for both institutional and retail investors, supported by Malaysia’s strong economic fundamentals.”

Meanwhile, RHB Research Institute Head of Regional Equity Research, Alexander Chia, said “We note that FBMSC Index has outperformed the domestic benchmark index so far in 2019. We believe our book launch could not have come at a better time as we are seeing strong demand for alpha-rich small-mid caps stock ideas. Despite the challenging market environment, we have identified 19 new names (the highest in recent years) this year which we hope our diverse client base will be able to leverage on.”

In this year’s book, the largest cap stock – at MYR1.705bn – is Guan Chong Berhad, while the smallest, with a market cap of MYR119m, is Ideal United Bintang International Berhad. 80% of the jewels listed in the *RHB Top Malaysia Small Cap Companies 20 Jewels 2019* book have a market cap of less than MYR1bn. The trailing median P/E and ROE of this year’s Jewels is (12.8x) and (14.4%) respectively.

The Malaysian business landscape includes a vibrant and entrepreneurial SME segment with various high growth companies. On Bursa Malaysia, there are 757 listed companies that command a market capitalisation of below MYR1billion, offering investors many opportunities to select profitable winners.

The *RHB Top Malaysia Small Cap Companies 20 Jewels 2019* book, as with other books in the series over the past 14 years, have a strong track of unearthing the hidden gems. Five companies presenting at the book launch this year are AWC Berhad, Chemical Company of Malaysia Berhad, Dancomech Holdings Berhad, Guan Chong Berhad and Revenue Group Berhad.

Issued on behalf of RHB Bank Berhad by Group Corporate Communications Division. For more information, please contact Norazzah Sulaiman at 603-9280 2125/ norazzah@rhbgroup.com or Cynthia Blemin at 012-249 4071/ cynthia.blemin@rhbgroup.com. For enquiries in regards to banking, products and services please contact our Customer Care Centre at 603-9206 8118.

About the RHB Banking Group

The RHB Banking Group, with RHB Bank Berhad as the holding company, is the fourth largest fully integrated financial services group in Malaysia. The Group's core businesses are structured into seven main business pillars, namely Group Retail Banking, Group Business & Transaction Banking, Group Wholesale Banking, RHB Singapore, Group Shariah Business, Group International Business and Group Insurance. Group Wholesale Banking comprises Corporate Banking, Investment Banking, Group Treasury & Global Markets, Asset Management and Private Equity. All the seven business pillars are offered through the Group's main subsidiaries – RHB Investment Bank Berhad, RHB Islamic Bank Berhad and RHB Insurance Berhad, while its asset management and unit trust businesses are undertaken by RHB Asset Management Sdn. Bhd. and RHB Islamic International Asset Management Berhad. The Group's regional presence now spans ten countries including Malaysia, Singapore, Indonesia, Thailand, Brunei, Cambodia, Hong Kong/China, Vietnam, Lao PDR and Myanmar.

For more information, please visit www.rhbgroup.com