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STOCKS WITH MOMENTUM

BY CHESTER TAY

Sino Hua-An International Bhd (+ve)

Shares in China-based Sino Hua-An International Bhd (fundamental: 1.55/3, valuation: 0.90/3) triggered our Stocks with Momentum algorithm last Wednesday for the second consecutive day. The stock declined 1.5 sen or 7.14% to 19.5 sen on that day. It was the second most actively traded counter, with 121.01 million shares traded — exceeding its 200-day average volume of 2.91 million shares.

The company — which is involved in the production and sale of metallurgical coke and by-products such as coal gas, tar, ammonia sul-

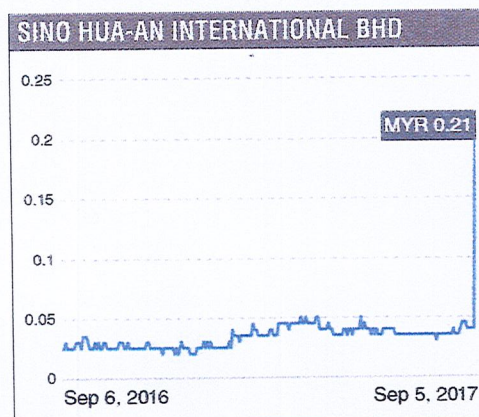
fate, crude benzene, coal slime and middlings — recently said its earnings have returned to positive territory. Its second-quarter net profit came in at RM21.99 million compared with a net loss of RM9.62 million in 2QFY2016, with its coke manufacturing operations having resumed from February this year. That brought 1HFY2017 net profit to RM20.97 million compared with a net loss of RM23.25 million in the previous corresponding period, while revenue increased to RM345.72 million from RM41.87 million.

Valuation score*	0.90
Fundamental score**	1.55
TTM P/E (x)	-
TTM PEG (x)	-
P/NAV (x)	0.81
TTM Dividend yield (%)	-
Market capitalisation (mil)	235.68
Shares outstanding (ex-treasury) mil	1,122.31
Beta	1.95
12-month price range	0.02-0.21

*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



SINO HUA-AN INTERNATIONAL BHD (ALL FIGURES IN MYR MIL)	FY14 31/12/2014	FY15 31/12/2015	FY16 31/12/2016	FY2017Q1 31/3/2017
Financials				
Turnover	1,101.3	270.8	40.6	86.7
EBITDA	43.5	(125.9)	(183.4)	4.8
Interest expense	0.0	-	-	-
Pre-tax profit	2.0	(279.2)	(227.5)	(1.0)
Net profit - owners of company	2.0	(279.2)	(227.5)	(1.0)
Fixed assets - PPE	386.6	440.2	227.6	222.8
Total assets	732.4	545.6	294.9	292.3
Shareholders' fund	732.4	545.6	294.9	292.3
Gross borrowings	-	-	-	-
Net debt/(cash)	(26.3)	(27.8)	(21.3)	(15.2)

SINO HUA-AN INTERNATIONAL BHD	FY14 31/12/2014	FY15 31/12/2015	FY16 31/12/2016	ROLLING 12-MTH
RATIOS				
DPS (\$)	-	-	-	-
Net asset per share (\$)	0.65	0.49	0.26	0.26
ROE (%)	0.28	(43.70)	(54.12)	(41.49)
Turnover growth (%)	(15.11)	(75.41)	(85.02)	(45.12)
Net profit growth (%)	(86.98)	-	-	-
Net margin (%)	0.18	(103.10)	(560.59)	(247.80)
ROA (%)	0.28	(43.70)	(54.12)	(41.49)
Current ratio (x)	5.26	2.05	2.04	1.56
Gearing (%)	-	-	-	-
Interest cover (x)	1,553.18	-	-	-