



FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTANCY

UNIVERSITI MALAYSIA SABAH

LECTURER : DR. DG. SAFRINA AG. BUDIN

COMPANY : BOILERMECH HOLDINGS BERHAD

BUSINESS FINANCE [SECTION 2]

PREPARED BY :

NO	NAME	NO MATRIKS
1	CHING XIN MEI	BB23110553
2	LIEW YEE WEI	BB23110517
3	AWANG KU MOHAMAD SYAHIS BIN AG.KU ISMAIL	BB23110476
4	NUR IZZATI BINTI SHAFEE	BB23110622
5	MUNIFAH BINTI ABD MOMIN	BB23110843
6	YEOH YI XUAN	BB23110675

TABLES OF CONTENT

NO.	CONTENTS	PAGES
1.0	INTRODUCTION	1-2
2.0	CALCULATION OF FINANCIAL PERFORMANCE FROM THE YEAR OF 2018 UNTIL 2022	3-25
3.0	RECOMMENDATION	26-27
4.0	CONCLUSION	28-29

1.0 INTRODUCTION

Boilermech Holdings Berhad started as a boiler design and manufacturing company in September 2005, specializing in biomass boiler for the palm oil industry. Since 2011, Boilermech has been publicly listed on Bursa Malaysia and its financial achievements qualified it as Forbes Asia's 200 Best Company Under A Billion in 2012 and 2014.

Boilermech Holdings Berhad has grown to become a prominent player in the biomass boiler design and manufacturing sector. The company has expanded its operations beyond Southeast Asia and serves clients in regions as diverse as Africa and Central America.

Boilermech is renowned for its expertise in designing and manufacturing biomass boilers. These boilers are instrumental in converting biomass materials into energy, contributing to sustainable and eco-friendly energy solutions. The company has expanded its capabilities into the biomass power generation sector, providing integrated solutions. This includes designing and supplying systems for fuel treatment and handling, steam and power generation, as well as water treatment and emission control. Boilermech has successfully established a global presence by supplying its products and services to markets beyond Southeast Asia. The company's reach extends to the African continent and Central America, showcasing its commitment to meeting the growing demand for renewable energy solutions worldwide. Boilermech acknowledges the importance of environmental sustainability. In addition to power generation solutions, the company is actively involved in developing and implementing water treatment systems and emission control measures, aligning with global efforts to reduce the environmental impact of energy production.

As a group, Boilermech focuses on bringing technological solutions into palm processing industry and biomass power generation industry. In 2015, Boilermech commercializes innovative Megasonic-enhanced oil recovery technology in the palm industry. It is also developing biogas solutions for the palm effluent and dust emission control system for biomass boilers. In the long run, Boilermech continues to invest and develop new technological products. Boilermech aspires to be the leading technology solutions provider in the palm industry by improving its customer's productivity and effectiveness of environmental protection systems. Boilermech Holdings Berhad has changed its name to BM Greentech Bhd. The company's new stock short name will

be quoted as “BMGREEN” replacing the old stock short name “BOILERM” with the stock number remaining unchanged, Bursa said in a statement. The company’s shares will be traded and quoted under the new name with effect from Sept 6.

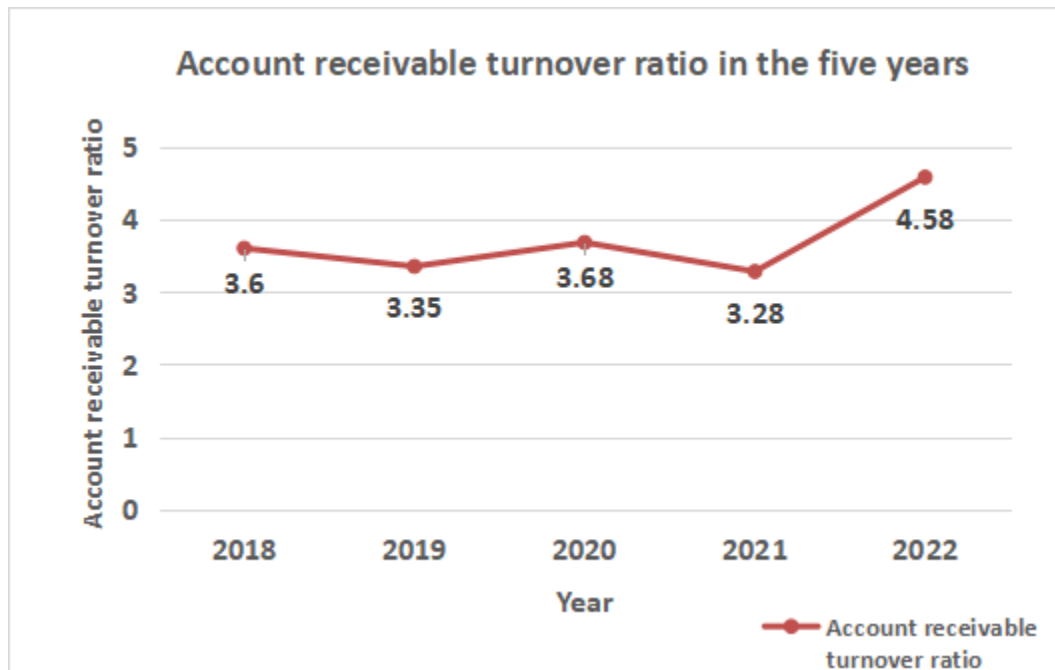
2.0 CALCULATION OF FINANCIAL PERFORMANCE FROM THE YEAR OF 2018 UNTIL 2022 :

Liquidity ratios	Year				
	2018	2019	2020	2021	2022
Account receivable turnover ratio =Annual credit sales / accounts receivable	$\frac{225907371}{62768140}$ =3.60 times	$\frac{234809971}{70020039}$ =3.35 times	$\frac{230146969}{62503424}$ =3.68 times	$\frac{237327714}{72429157}$ =3.28 times	$\frac{317759957}{69403160}$ =4.58 times
Inventory turnover ratio =cost of good sold/ Inventories	$\frac{172664347}{26955053}$ =6.41 times	$\frac{174115516}{28836509}$ =6.04 times	$\frac{172727991}{35571794}$ =4.86 times	$\frac{180140860}{41236115}$ =4.37 times	$\frac{262305375}{47137748}$ =5.56 times

Analysis of the company's financial performance:

1. Accounts receivable turnover ratio :

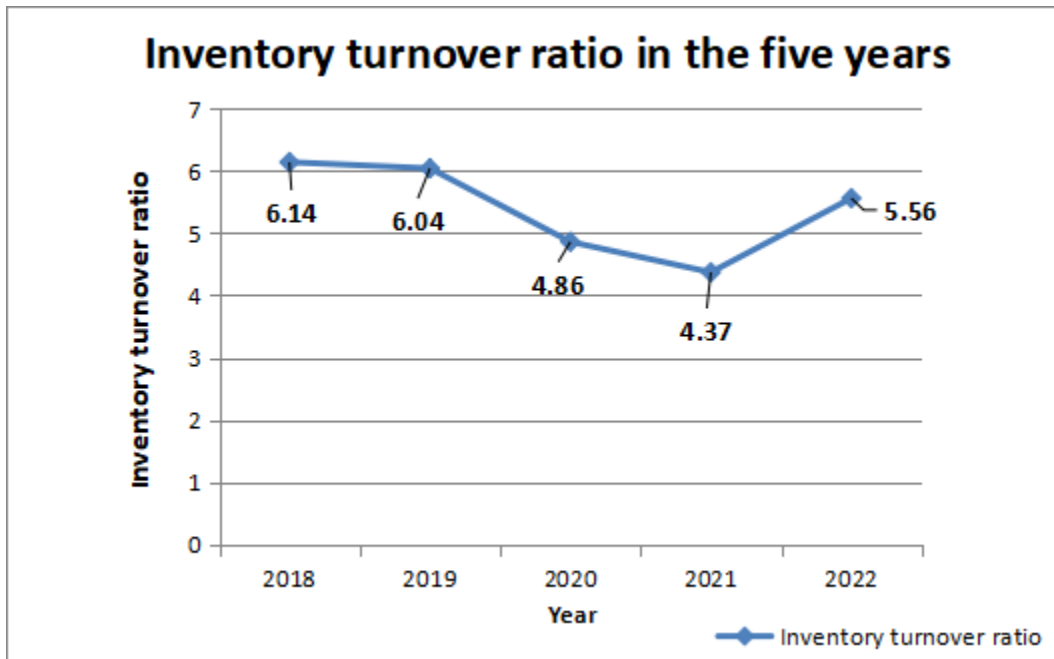
Accounts receivable turnover ratio measures how many times receivables are “rolled over” during a year. It provides insights into how quickly a company collects payments from its customers. A higher turnover ratio generally indicates better efficiency in collecting receivables.



The line chart may show a fluctuating trend in the accounts receivable turnover ratio over the five-year period. In 2018, the company had an accounts receivable turnover ratio of 3.60, meaning it collected its outstanding receivables 3.60 times during the year. This indicates a moderate efficiency in collecting payments. In 2019, the ratio decreased to 3.35. This suggests that, on average, it took a bit longer to collect payments compared to the previous year. The company may want to investigate the reasons behind this decrease. The ratio increased to 3.68 in 2020, indicating an improvement in collecting receivables compared to the previous year. This might be a positive sign of enhanced efficiency or a change in the company's credit management practices. Although the ratio slightly decreased in 2021, it is still higher than the 2019 level. This suggests that, on average, the company continued to collect receivables at a reasonable pace. In 2022, there was a significant increase in the accounts receivable turnover ratio to 4.58. This indicates a notable improvement in the efficiency of collecting payments. The company might have implemented more effective credit policies or enhanced its collection processes. The trend shows some fluctuations, but there's an overall improvement in the accounts receivable turnover ratio from 2018 to 2022. The increase in 2020 and a substantial rise in 2022 indicate positive developments in the company's receivables management.

2. Inventory turnover ratio :

Inventory turnover ratio measures how many times the company turns over its inventory during the year. Shorter inventory cycles lead to greater liquidity because the items in inventory are converted to cash more quickly.



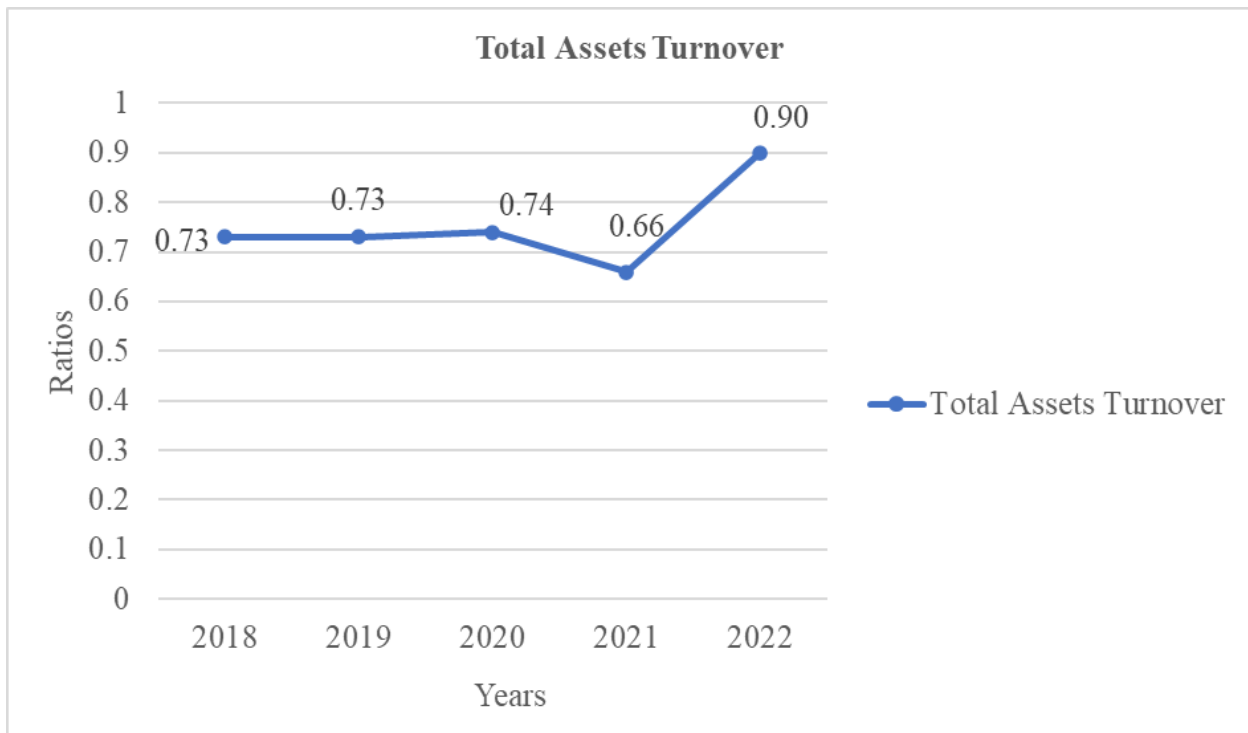
The line chart shows a decreasing trend from 2018 to 2021, with a noticeable decline in the inventory turnover ratio during this period. In 2020, there is a significant drop, suggesting a potential issue with inventory management efficiency. However, there is a notable increase in the ratio in 2022, indicating a positive trend towards improved inventory turnover. The company had an inventory turnover ratio of 6.41 in 2018, indicating that, on average, the inventory was sold and replaced 6.41 times during the year. The ratio decreased slightly to 6.04 in 2019, suggesting a slight decline in the speed of inventory turnover compared to the previous year. The ratio further decreased to 4.86 in 2020, indicating a slower turnover of inventory compared to 2019. This could be due to factors such as overstocking or changes in demand. The ratio continued to decrease to 4.37 in 2021, signaling a potential concern as it implies a further slowdown in inventory turnover. This may lead to holding excess inventory and increased carrying costs. The

ratio increased to 5.56 in 2022. This may be due to better demand forecasting, tighter inventory control, or streamlined supply chain processes. The decreasing trend from 2018 to 2021 suggests a consistent challenge in inventory turnover. The sharp decrease in 2020 indicates a potential issue that may need investigation. The significant increase in 2022 is a positive anomaly, suggesting an improvement in inventory management efficiency. Consider external factors such as economic conditions, market trends, or changes in the company's operations that may have influenced the inventory turnover ratio.

TOTAL ASSETS TURNOVER

$$\text{Formula: Total Assets Turnover} = \frac{\text{Sales}}{\text{Total Assets}}$$

2018	2019	2020	2021	2022
$\frac{RM\ 225,907,371}{RM\ 308,438,227}$ = 0.73 times	$\frac{RM\ 234,809,971}{RM\ 319,817,345}$ = 0.73 times	$\frac{RM\ 230,146,969}{RM\ 311,261,332}$ = 0.74 times	$\frac{RM\ 237,327,714}{RM\ 361,341,739}$ = 0.66 times	$\frac{RM\ 317,759,957}{RM\ 352,111,393}$ = 0.90 times



Years	2018	2019	2020	2021	2022
Total Assets Turnover	0.73	0.73	0.74	0.66	0.90

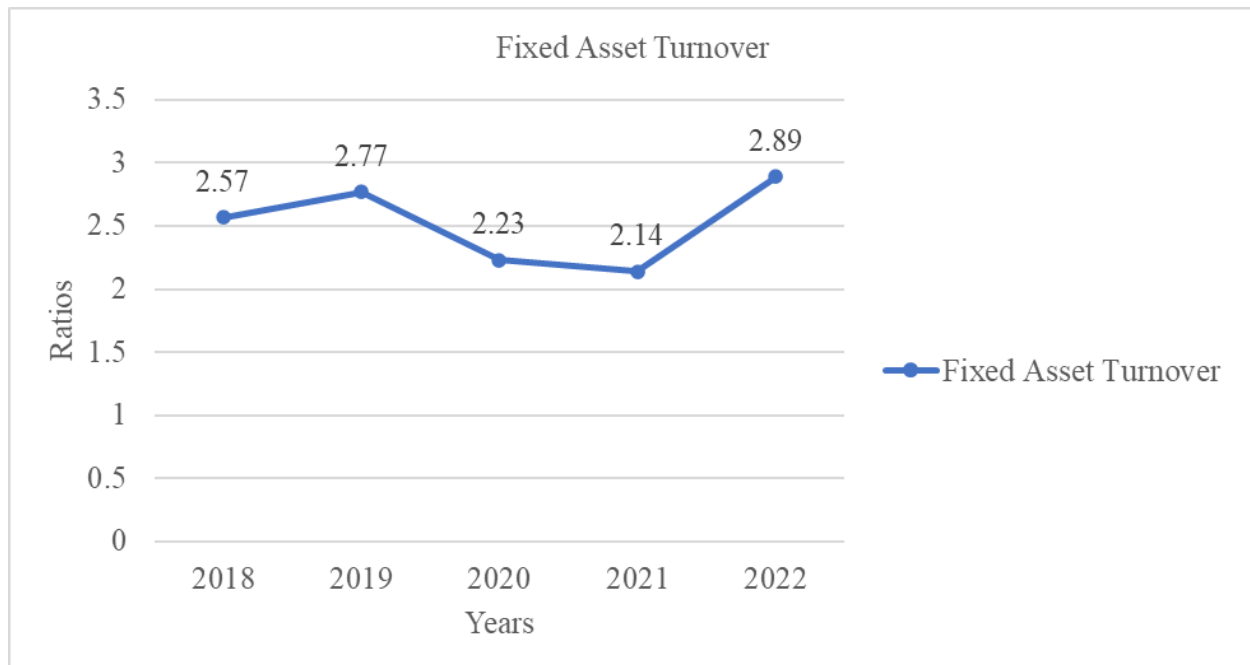
The total assets turnover ratio represents the amount of sales generated per RM invested in the firm's assets. The graph above shows the total assets turnover in Boilermech Holdings Berhad from year 2018 to year 2022. In the years 2018 and 2019, Boilermech Holdings Berhad was

making 0.73 sales for every asset; this figure then marginally increased to 0.74 sales in year 2020 before sharply decreasing to 0.66 sales in year 2021. From the year 2021, which had 0.66 sales, to the year 2022, which had 0.90 sales, the total assets turnover grew quickly. Boilermech Holdings Berhad gets inconsistent revenues, therefore from year 2018 to year 2022, it uses its assets inefficiently to create sales.

FIXED ASSET TURNOVER

$$\text{Formula: Fixed Asset Turnover} = \frac{\text{Sales}}{\text{Fixed Asset}}$$

2018	2019	2020	2021	2022
$\frac{RM\ 225,907,371}{RM\ 88,027,515}$ = 2.57 times	$\frac{RM\ 234,809,971}{RM\ 84,905,047}$ = 2.77 times	$\frac{RM\ 230,146,969}{RM\ 103,093,018}$ = 2.23 times	$\frac{RM\ 237,327,714}{RM\ 111,050,187}$ = 2.14 times	$\frac{RM\ 317,759,957}{RM\ 109,868,767}$ = 2.89 times



Years	2018	2019	2020	2021	2022
Fixed Asset Turnover	2.57	2.77	2.23	2.14	2.89

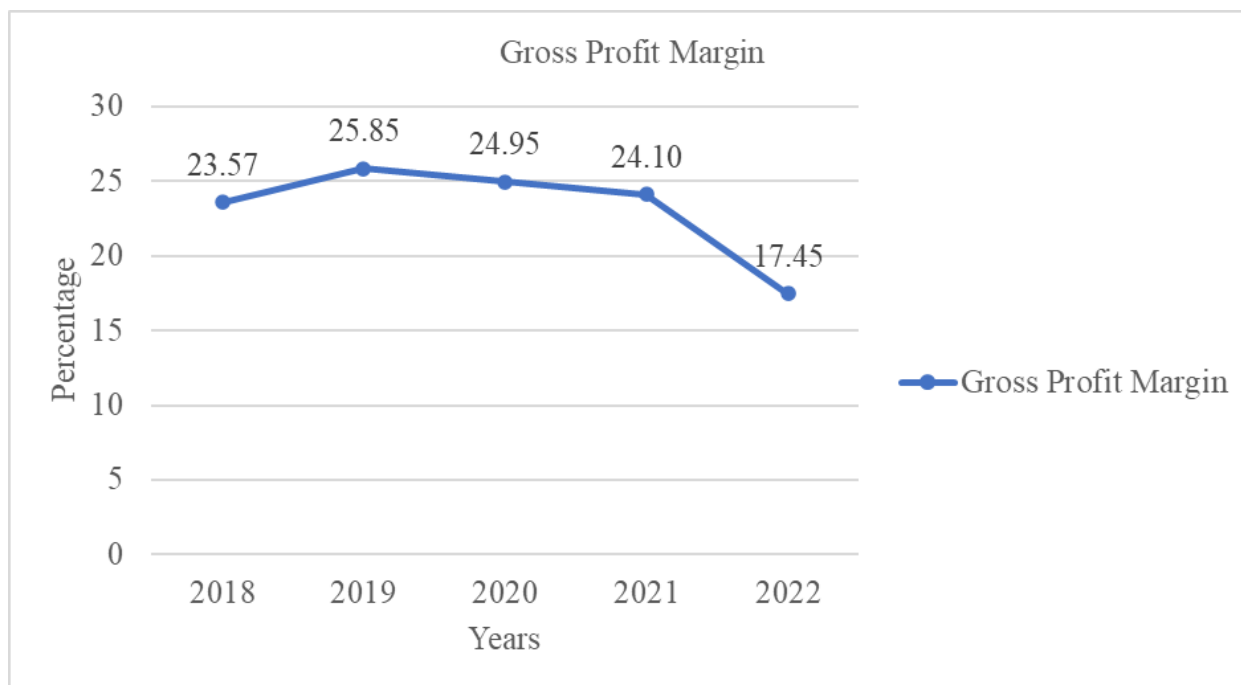
The fixed asset turnover ratio measures a firm's efficiency in utilizing its fixed assets. The graph above shows the fixed asset turnover in Boilermech Holdings Berhad from year 2018 to year 2022. Boilermech Holdings Berhad generated 2.57 sales for every fixed asset in year 2018; this

figure then increased to 2.77 sales in year 2019 before sharply decreasing to 2.23 sales in year 2020. In year 2021, it continued to decrease and generated only 2.14 sales which is the lowest fixed asset turnover ratio compared with the other four years. This means that in year 2021, Boilermech Holdings Berhad uses its fixed assets inefficiently to generate sales. In year 2022, Boilermech Holdings Berhad generate 2.89 sales for every fixed asset which is the highest fixed asset turnover ratio compared with the other four years and this means that the company uses its fixed asset efficiently to generate sales, which can lead to higher profits.

GROSS PROFIT MARGIN

$$\text{Formula: } \text{Gross Profit Margin} = \frac{\text{Gross Profits}}{\text{Sales}}$$

2018	2019	2020	2021	2022
$\frac{RM\ 53,243,024}{RM\ 225,907,371}$ = 23.57%	$\frac{RM\ 60,694,455}{RM\ 234,809,971}$ = 25.85%	$\frac{RM\ 57,418,978}{RM\ 230,146,969}$ = 24.95%	$\frac{RM\ 57,186,854}{RM\ 237,327,714}$ = 24.10%	$\frac{RM\ 55,454,582}{RM\ 317,759,957}$ = 17.45%

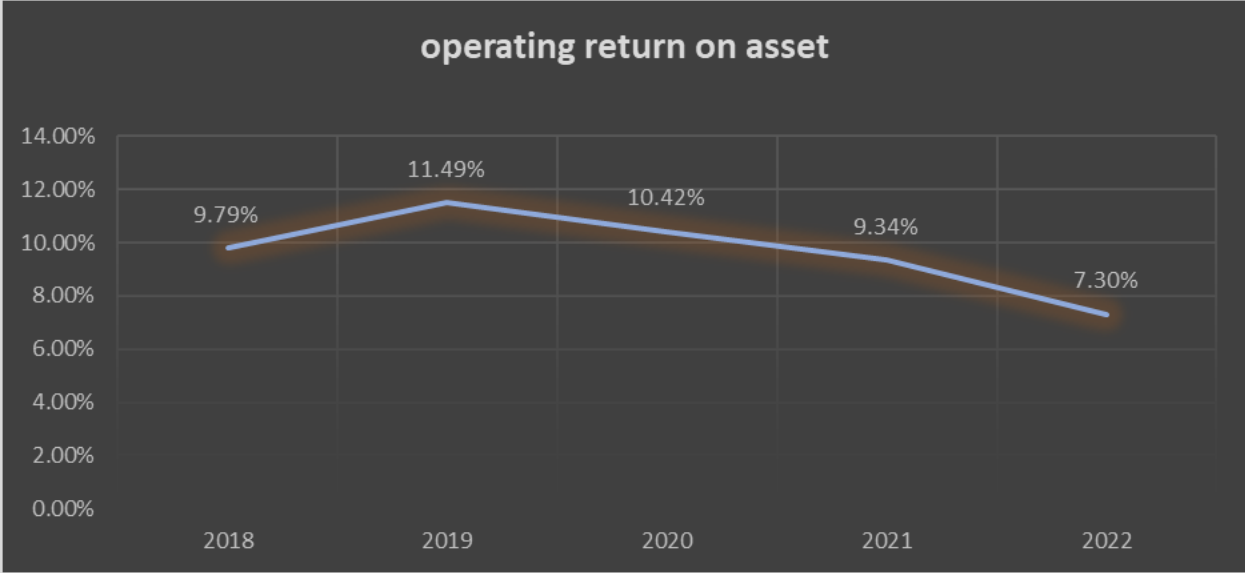


Years	2018	2019	2020	2021	2022
Gross Profit Margin (%)	23.57	25.85	24.95	24.10	17.45

The gross profit margin shows how well the firm's management controls its expenses to generate profits. The graph above shows the gross profit margin in Boilermech Holdings Berhad from year 2018 to year 2022. In year 2018, Boilermech Holdings Berhad's gross profit margin was 23.57%; in year 2019, that figure increased slightly to 25.85%. From year 2019 to year 2020, the

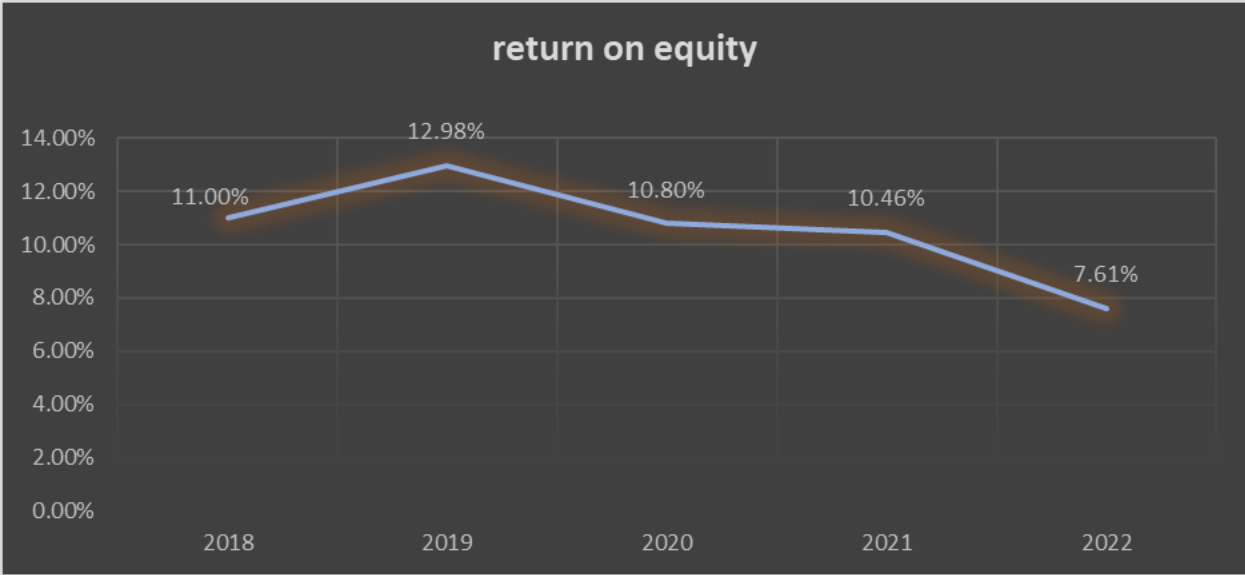
gross profit margin decreased from 25.85% to 24.95%. Up to the year 2022, the gross profit margin decreased steadily, from 24.10% in year 2021 to 17.45% in year 2022. Boilermech Holdings Berhad's gross profit margin is erratic from year 2018 to year 2022. From year 2018 to year 2019, Boilermech Holdings Berhad's gross profit margin improved dramatically. This means that the company generated profits over these two years after deducting the costs associated with making and selling its products or the costs associated with providing its services. In these three years 2020, 2021, and 2022, the gross profit of Boilermech Holdings Berhad has decreased due to the possibility of an abrupt drop in sales or a rise in the cost of goods sold.

OPERATING RETURN ON ASSET



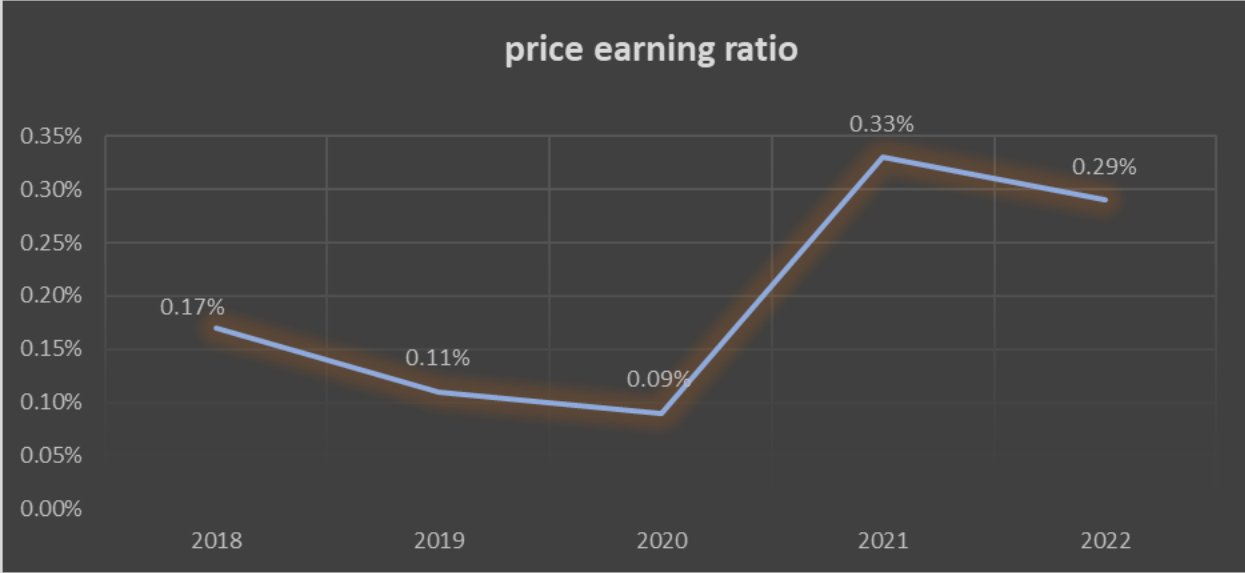
The operating return on assets (ROA) for Boilermech Holdings Berhad from 2018 to 2022 illustrates how well the business converted its total assets into operating income. Operating ROA in 2018 and 2019 demonstrated a positive trend, reaching 9.79% and 11.49%, respectively, indicating efficient use of assets and good operational performance in those years. Although this trend experienced a decline to 10.42% in 2020, the downward trend continued in 2021 and 2022, with rates of 9.34% and 7.30%, respectively. The company's ability to extract returns from its investments and operational activities is indicated by the ROA values that increased in the first two years and then declined in the last three years. This performance, which suggests that Boilermech Holdings struggled to maintain its efficiency in managing and utilizing its assets to sustain a strong financial position, is significant given the competitive environment in the ASEAN payment services market.

RETURN ON EQUITY



The ability of Boilermech Berhad to generate profits on shareholders' equity is demonstrated through the return on equity (ROE) for the financial years 2018 to 2022. At 11.00% and 12.98% for the years 2018 and 2019, respectively, the ROE shows relative stability, indicating a consistent level of profitability in relation to shareholders' investments. However, ROE experienced a significant decline in 2020, dropping to 10.80%, which may suggest difficulties or unique circumstances affecting profitability at that time. ROE further decreased to 10.46% and 7.61% in the following two years, 2021 and 2022, indicating challenges for Boilermech Berhad in improving their ROE. While the business demonstrates resilience in maintaining positive ROE values, ongoing monitoring and analysis are crucial, especially to identify the causes of the decline in 2020, 2021, and 2022. Boilermech Berhad also needs to ensure sustained profitability and the creation of value for shareholders.

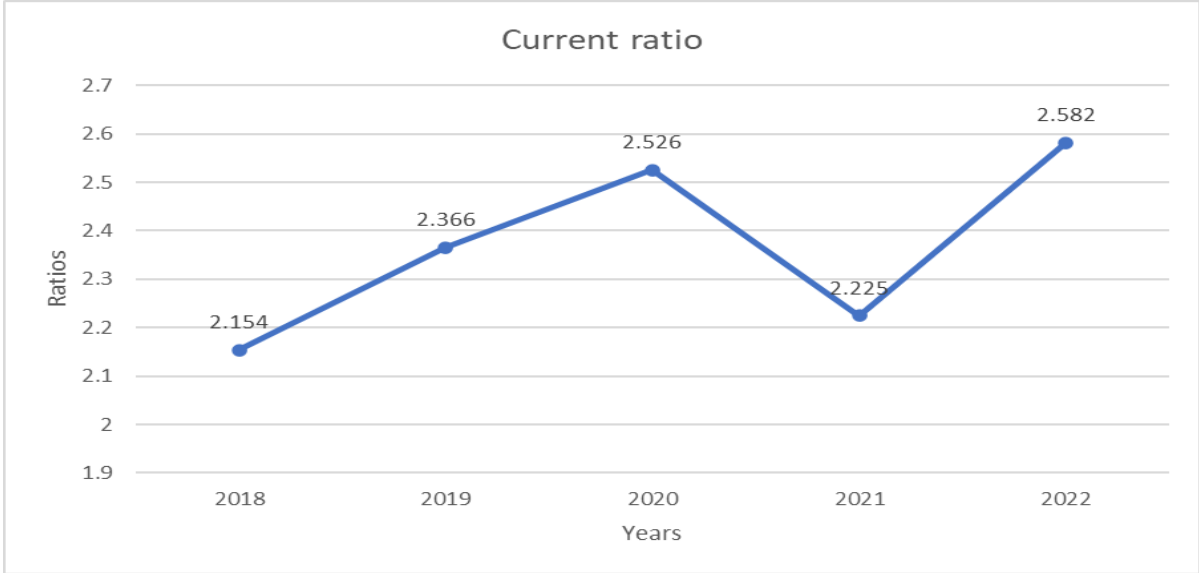
PRICE EARNING RATIO



The price-earnings ratio (P/E) of Boilermech Holdings Berhad from 2018 to 2022 indicates changes in the market's assessment of the company's stock in relation to its earnings per share. The P/E ratios from 2018 to 2020 showed a decline, reaching 0.17, 0.11, and 0.09, respectively, suggesting a cautious market valuation concerning the company's earnings in those years. In 2021, this ratio increased to 0.33, possibly indicating a rise in market optimism or expectations for higher profits in the future. However, in the subsequent years, the P/E ratio slightly decreased, reaching 0.29 in 2022, indicating a more reasonable market valuation. Typically, investors compare a company's P/E ratio to industry benchmarks to evaluate its growth potential. Considering the projected earnings performance of Boilermech Holdings Berhad, the declining trend in recent years may reflect shifts in market sentiment or expectations. Further research is needed to understand the fundamental causes driving these shifts in market value.

CURRENT RATIO

Year	2018	2019	2020	2021	2022
Current ratio	2.154	2.366	2.526	2.225	2.582

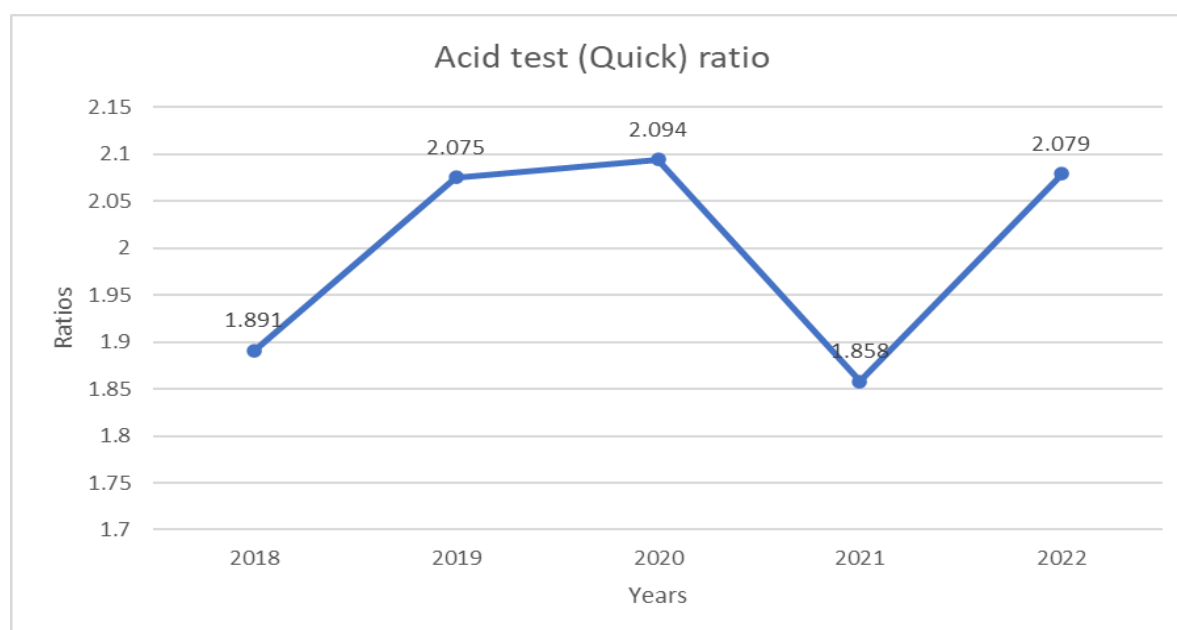


The current ratio is a financial metric that assesses a company's ability to cover its short-term liabilities with its short-term assets. For Boilermech Holdings Berhad, the current ratio has demonstrated a positive trend from 2018 to 2022. In 2018, the current ratio was 2.154, indicating that the company had 2.154 times the current assets to cover its current liabilities. The following years witnessed a consistent improvement, with ratios of 2.366 in 2019, 2.526 in 2020, and 2.225 in 2021. These figures suggest a strengthening financial position and an increasing ability to meet short-term obligations.

The rising trend in the current ratio implies that Boilermech Holdings Berhad has maintained a healthy balance between current assets and liabilities over the specified period. A current ratio above 1 indicates that the company has more assets than liabilities in the short term, providing a buffer for meeting financial obligations. This positive trajectory suggests effective working capital management, reinforcing the company's capacity to navigate short-term financial challenges.

ACID TEST (QUICK) RATIO

Years	2018	2019	2020	2021	2022
Acid test (Quick) ratio	1.891	2.075	2.094	1.858	2.079

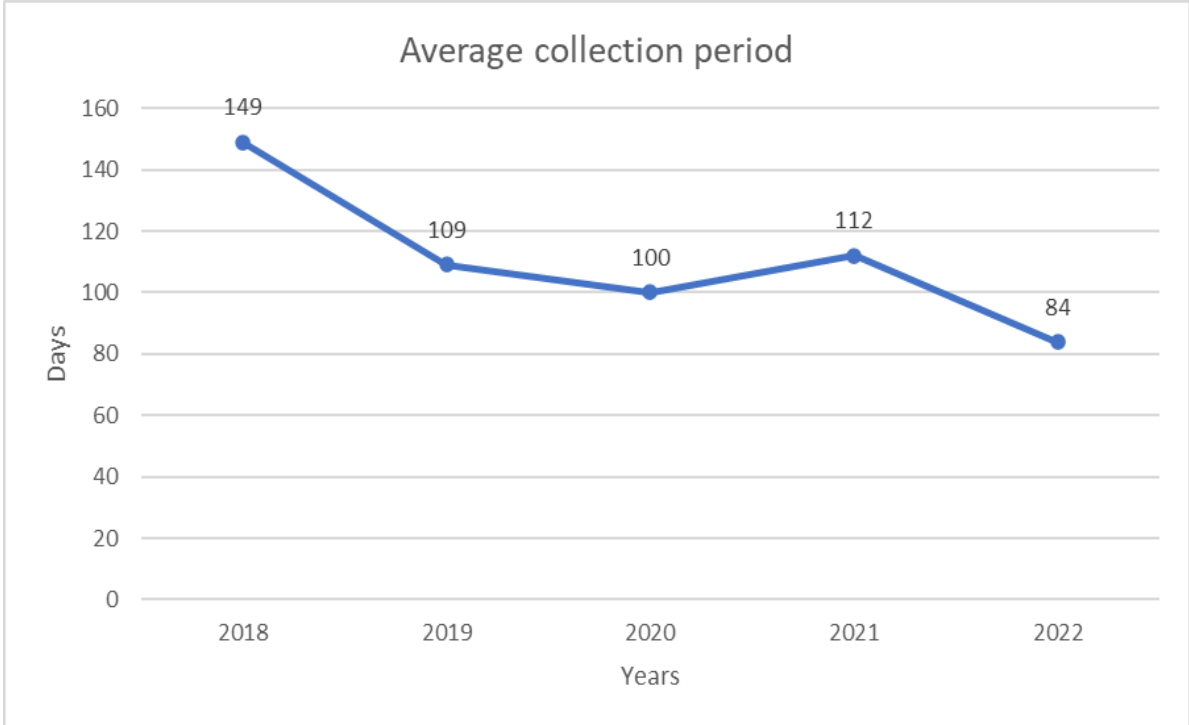


The acid-test or quick ratio is a financial metric that evaluates a company's short-term liquidity and ability to cover its immediate liabilities using its most liquid assets. For Boilermech Holdings Berhad, the quick ratio has shown variations from 2018 to 2022. In 2018, the quick ratio was 1.891, indicating that the company had sufficient liquid assets to cover its short-term obligations. Subsequently, there was an improvement in 2019 with a quick ratio of 2.075, suggesting increased liquidity and a strengthened ability to meet immediate financial demands. The positive trend continued in 2020, with a quick ratio of 2.094, reflecting robust liquidity. In 2021, the quick ratio slightly decreased to 1.858, potentially signaling a slight dip in immediate liquidity. However, in 2022, it rebounded to 2.079, showcasing a recovery and an enhanced ability to meet short-term obligations promptly.

The changes in the acid-test quick ratio over these years for Boilermech Holdings Berhad suggest a generally favorable liquidity position, with the company maintaining or improving its ability to cover short-term liabilities. This is indicative of prudent financial management and adaptability to varying economic conditions.

AVERAGE COLLECTION PERIOD

Years	2018	2019	2020	2021	2022
Average collection period	149	109	100	112	84



The average collection period is a financial metric that assesses the average number of days a company takes to collect payments from its customers after a sale is made. It is calculated by dividing the number of days in a specific period by the accounts receivable turnover, reflecting the efficiency of a company in converting its receivables into cash. For Boilermech Holdings Berhad, the average collection period has shown fluctuations over the years. In 2018, it stood at

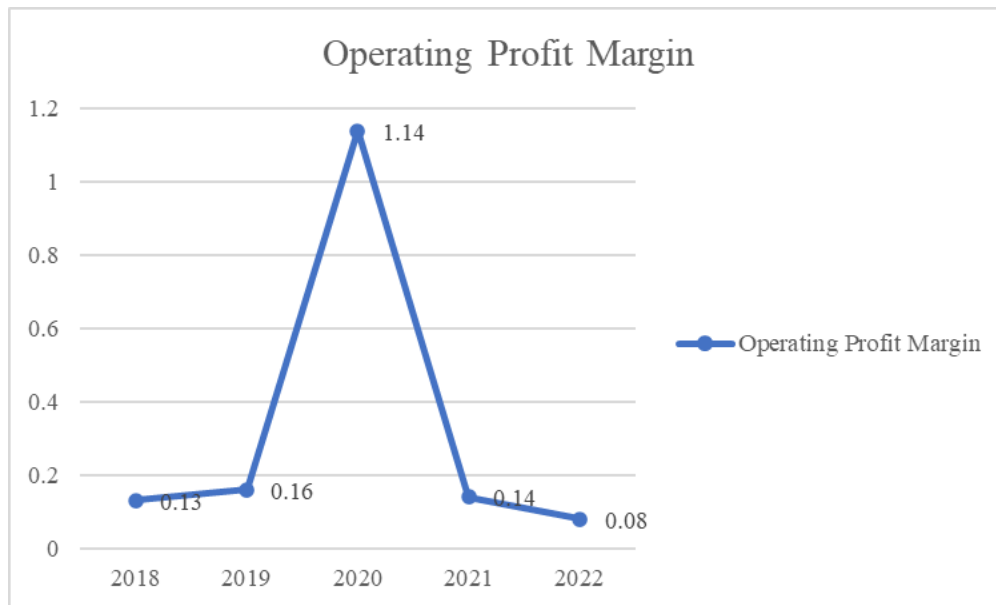
149 days, indicating a relatively extended period for collecting payments. The following year, there was a notable improvement as the average collection period decreased to 109 days, suggesting enhanced efficiency in cash conversion. In 2020, it further decreased to 100 days, showcasing continued progress in receivables management. The year 2021 witnessed a slight increase to 112 days, signifying a potential challenge in timely collections. However, in 2022, the average collection period notably decreased to 84 days, indicating a significant improvement and potentially more effective credit management or prompt payment practices. These fluctuations in the average collection period for Boilermech Holdings Berhad suggest variations in the company's ability to manage receivables efficiently and highlight the importance of ongoing monitoring and adjustment in credit policies and collection strategies.

OPERATING PROFIT MARGIN

Formula:

$$\text{Operating Profit Margin} = \frac{\text{Net operating income or EBIT}}{\text{Sales}}$$

2018	2019	2020	2021	2022
<u>RM30,204,849</u>	<u>RM36,614,732</u>	<u>RM324,266,386</u>	<u>RM33,745,738</u>	<u>RM25,709,044</u>
RM225,907,371	RM234,804,971	RM230,146,969	RM237,327,714	RM317,759,957
= 0.13%	= 0.16%	= 1.14%	= 0.14%	= 0.08%



Years	2018	2019	2020	2021	2022
Operating Profit Margin (%)	0.13	0.16	1.41	0.14	0.08

The graph shows the operating profit margin of Boilermech Holdings Berhad for the past five years starting from 2018 to 2022. The operating profit margin measures how much profit they generated per RM of sales after accounting for both cost of goods sold and operating expenses. It is calculated by dividing a company's net operating income or EBIT by its sales. A higher ratio means greater profitability and better control of cost of goods sold expenses and operating expenses. In 2018, the operating profit margin was 0.13%. In 2019, it increased to 0.16%. In 2020, it increased again to 1.14%. Suddenly it fell sharply in 2021 to 0.14%. In 2022, it fell again to 0.08%. The operating profit margin showed a positive trend from 2018 to 2020, increasing significantly from 0.13% to 1.14%. This indicates improvements in the company's profitability and cost control during this period.

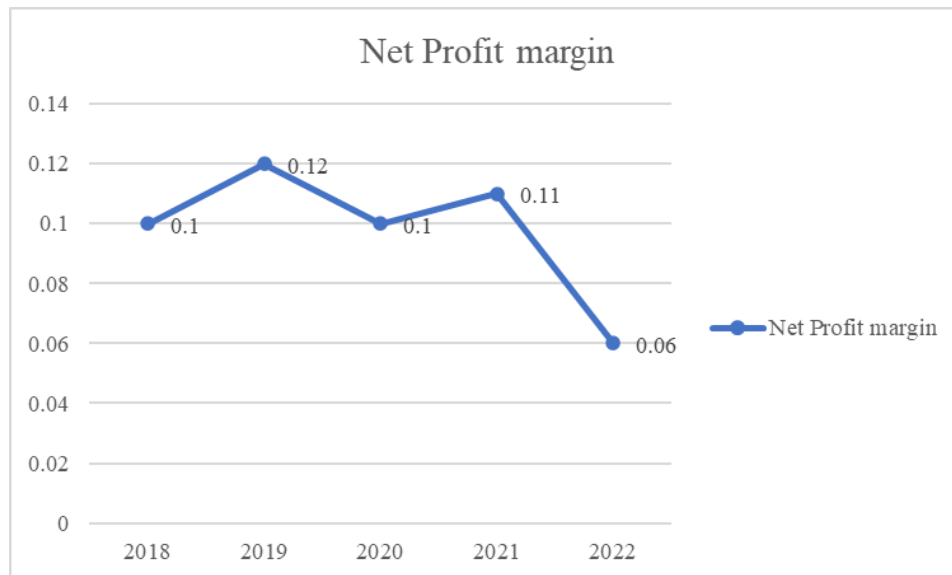
NET PROFIT MARGIN

Formula:

Net Profit Margin = $\frac{\text{Net income}}{\text{Sales}}$

Sales

2018	2019	2020	2021	2022
<u>RM21,927,092</u>	<u>RM27,826,047</u>	<u>RM24,081,792</u>	<u>RM25,417,442</u>	<u>RM19,248,664</u>
RM225,907,371	RM234,804,971	RM230,146,969	RM237,327,714	RM317,759,957
= 0.10%	= 0.12%	= 0.10%	= 0.11%	=0.06%



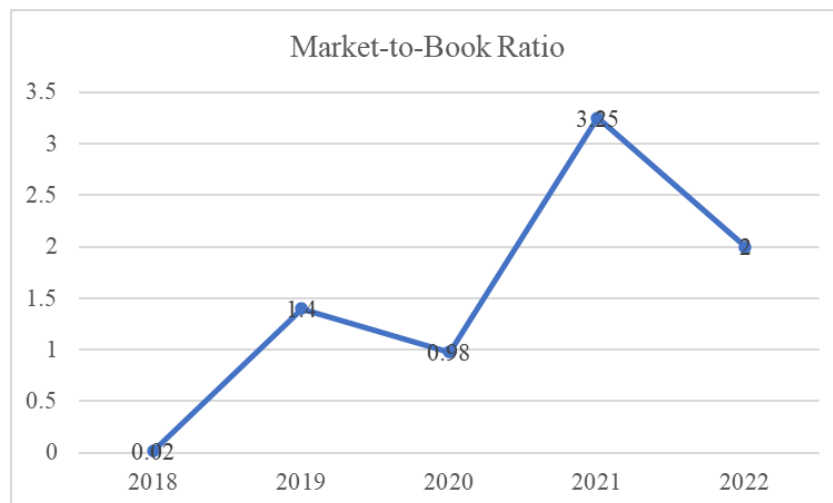
Years	2018	2019	2020	2021	2022
Net Profit Margin (%)	0.10	0.12	0.10	0.11	0.06

The graph shows the net profit margin of Boilermech Holdings Berhad for the past five years starting from 2018 to 2022. The net profit margin measures how much net income is generated as a percentage of revenues received, and it is calculated by dividing the company's net income by its net sales. A higher net profit margin means that the company is more profitable, and it is able to generate more profits from its sales. In 2018, the net profit margin was 0.10%. In the year 2019, it increased to 0.12%. It decreased again in 2020 and 2021 by 0.10% and 0.11%. Then, the percentage suddenly decreased sharply to 0.06% in 2022.

MARKET TO BOOK RATIO

Formula: $\frac{\text{Market Price per Share}}{\text{Book value per Share}}$

2018	2019	2020	2021	2022
<u>0.67</u>	<u>0.56</u>	<u>0.40</u>	<u>1.43</u>	<u>0.92</u>
0.37	0.40	0.41	0.44	0.46
= 0.02 times	= 1.40 times	= 0.98 times	= 3.25 times	= 2 times



Years	2018	2019	2020	2021	2022
Market-to-Book Ratio (times)	0.02	1.40	0.98	3.25	2

The graph shows the market-to-book ratio of Boilermach Holdings Berhad for the past five years starting from 2018 to 2022. A higher ratio indicates that investors place a higher RM value on each RM of investment made in a firm by its common stockholders. The market to book ratio

was 0.02 in 2018. In the year 2019, it increased to 1.40. It decreased again to 0.98 in 2020 and suddenly increased sharply to 3.25 in 2021. The market to book ratio is decreased to 2 in 2022. The increasing market-to-book value suggests that the market value of the company (or asset) is growing relative to its book value. This could be due to factors such as increased profitability, positive investor sentiment, or growth expectations.

RECOMMENDATION

Boilermech Holdings Berhad, now operating as BM Greentech Bhd, embarked on its venture in 2005, specializing in crafting boilers for the palm oil industry. Over the years, the company has evolved into a global entity, particularly excelling in the design of biomass boilers. In this report, we delve into the financial performance from 2018 to 2022 to assess whether it presents a sound investment opportunity. The company's financial situation has steadily improved over the previous five years, according to an analysis of the liquidity ratios. The quick and current ratios both show an upward trend, indicating strong liquidity and the capacity to pay short-term obligations. The strong liquidity position is reinforced by effective asset management, as demonstrated by the rising total assets turnover, indicating more efficient use of assets to drive revenue.

One significant finding is the market-to-book ratio, which increased gradually between 2018 and 2022. This suggests an increase in market confidence as well as a higher market valuation than the book value. This ratio's positive trend indicates that investors are feeling optimistic about the company's future and its potential. Still, not every financial metric presents a completely favourable image. There has been a decrease in the gross profit margin, which calls for further investigation to determine the underlying causes. Operating return on assets and net profit margin are two examples of profitability ratios that have fluctuated but have generally been positive, with a substantial improvement in 2022. However, return on equity (ROE) has been trending downward, suggesting that it may be difficult to provide investors with returns that are high enough. This calls for a more thorough investigation of the variables affecting ROE and tactics to buck the trend.

BM Greentech Bhd has strengths in asset management, liquidity, and market confidence; yet, due to the previously noted issues regarding profitability and ROE, attention is suggested. Those considering investing in this renewable energy player ought to do their research. Detailed examination of the company's financial statements, management talks, and industry trends are necessary to gain a complete picture of its position. With its global reach and dedication to environmental sustainability in the renewable energy space, BM Greentech Bhd is positioned as a major player in the market. To maintain long-term investor confidence, the business must solve its profitability and return on equity issues. It is recommended that investors keep a careful eye on the company's innovation initiatives, reaction to these problems, and any changes in strategy.

In conclusion, potential investors are advised to proceed cautiously even if BM Greentech Bhd has strong qualities, such as its worldwide presence and environmental dedication. Making wise investment decisions in this dynamic and ever-evolving renewable energy business will require careful due diligence and a close eye on the company's financial performance and strategic choices.

CONCLUSION

In conclusion, the analysis of Boilermech Holdings Berhad's financial performance over the five-year period from 2018 to 2022 reveals several significant trends and fluctuations across various financial metrics. The company experienced fluctuating trends in the accounts receivable turnover ratio, with notable improvements in 2020 and a substantial rise in 2022. These positive developments indicate enhanced efficiency in collecting payments. A decreasing trend from 2018 to 2021, with a significant drop in 2020, suggests challenges in inventory turnover. However, a notable increase in 2022 indicates positive strides towards improved inventory management. Inconsistent revenues and a fluctuating total assets turnover ratio from 2018 to 2022 suggest inefficient use of assets to generate sales, emphasizing the need for improved operational strategies. The fixed asset turnover ratio varied over the years, reaching its lowest point in 2021 but rebounding significantly in 2022. This highlights the importance of efficient utilization of fixed assets for higher profitability. A fluctuating gross profit margin from 2018 to 2022 indicates both improvements and challenges. The declining trend in recent years may signal potential issues with sales or rising costs, necessitating a closer examination of the underlying causes. A decline in ROA from 2018 to 2022 indicates challenges in maintaining efficiency in managing and utilizing assets for operating income. The competitive environment in the ASEAN payment services market adds significance to this performance trend. While ROE demonstrated relative stability in 2018 and 2019, a significant decline in 2020 and subsequent years indicates challenges for Boilermech Berhad in improving their profitability and creating value for shareholders. The declining trend in P/E ratios from 2018 to 2020 and a subsequent slight increase in 2021 suggest shifts in market sentiment or expectations. Further research is needed to understand the fundamental causes behind these market value fluctuations. Positive trends in both current and quick ratios from 2018 to 2022 indicate a strengthening financial position, effective working capital management, and an increasing ability to meet short-term obligations. Fluctuations in the average collection period highlight variations in the company's ability to manage receivables efficiently. The significant improvement in 2022 suggests potential enhancements in credit management or payment practices. The positive trend in the operating profit margin from 2018 to 2020 reflects improvements in profitability and cost control. However, the sharp decline in 2021 and 2022 indicates challenges in maintaining this trend.

Fluctuations in the net profit margin, with a sharp decrease in 2022, suggest challenges in maintaining profitability. The company needs to address factors influencing costs and revenues. The varying market-to-book ratio indicates changes in investor sentiment, with increased market value relative to book value. Factors such as profitability and growth expectations may have influenced these fluctuations. In conclusion, while Boilermech Holdings Berhad has shown positive developments in certain areas, challenges in profitability, operational efficiency, and investor sentiment highlight the need for strategic analysis and ongoing monitoring to ensure sustained financial health and value creation for shareholders.