

## Coastal Contracts Bhd

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### Re-positioning as a gas processing player

- History traces back to 1976 and has now evolved into a global integrated marine oil & gas services and solutions provider.
- Planning to bid for a third plant in Ixachi that could have a similar value to its EMC Papan project which was valued at RM4.50bn.
- Will focus on investments in production-related infrastructure projects, with a preference for natural gas, which is a clean energy source with lesser greenhouse gas emissions.
- Technically, the breakout above RM2.14 has confirmed the breakout-pullback-continuation pattern and may lead price higher to target the next resistances at RM2.24-2.29 with long term target at RM2.40.

### COASTAL daily: Breakout-pullback-continuation



M+ Wiz

### Trading Catalyst

- Coastal Contracts Bhd's (COASTAL) history traced back to 1976 and has now evolved into a global integrated marine oil & gas services and solutions provider. Since incorporation, COASTAL its related companies have delivered over 400 vessels to both local and international oil & gas players.
- The EMC Papan Plant with capacity of 300.0m standard cubic feet per day (MMSCFD) at the Ixachi Field, Tierra Blanca, Veracruz, Mexico is expected to generate long term sustainable income over the next 10 years. Moving forward, COASTAL is planning to bid for a third plant in Ixachi that could have a similar value to its EMC Papan project which was valued at RM4.50bn.
- COASTAL will also focus on investments in production-related infrastructure projects, with a preference for natural gas, which is a clean energy source with lesser greenhouse gas emissions. As of FY22, COASTAL is also equipped with a

### COASTAL CONTRACTS BHD

Last Price (RM)	2.19
5 Day Change (%)	-0.9
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	88.9
52Week Range Percentile (%)	93.2
Volatility 30D	33.0
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	3.7
DMI DI+	24.3
DMI DI-	22.3
ADX	32.3
Price Skew	DOWN
RSI 14D	62.3
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	70.6

### Bloomberg

### Financial snapshot

FYE Jun	FY22	FY23f	FY24f
Revenue (RM m)	232.7	257.3	245.7
Net profit (RM m)	180.3	146.3	127.7
Shares (m)	526.8	526.8	526.8
EPS (sen)	34.2	27.8	24.2
DPS (sen)	-	-	-
P/E (x)	6.4	7.9	9.0
DY (%)	-	-	-

### Bloomberg

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healthy balance sheet with a net gearing of 0.2x, implying some room to undertake external financing for CAPEX expansions.

## Technical Outlook

- Technically, the uptrend formation was re-established since mid-August 2022. Share price has staged a pullback towards the daily EMA20 level before staging a quick recovery. Following the breakout above RM2.14, confirming the breakout-pullback-continuation pattern, price may head higher to target the next resistances at RM2.24-2.29 with long term target at RM2.40. Support is pegged at RM2.03 and cut loss is located at RM2.02.

## Glossary

Last Price (RM)	Last closing price
5 Day Change (%)	Percent change in price over the last five days. The formula is: [(Last Trade - Closing Price Five Days Ago) / Closing Price Five Days Ago] x 100.
1 Day Range Percentile (%)	Calculates the percentile value within the 1-day range
5 Day Range Percentile (%)	Calculates the percentile value within the 5-day range
52 Week Range Percentile (%)	Calculates the percentile value within the 52-week range
Volatility 30D	A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day logarithmic historical price changes. The 30-day price volatility equals the annualised standard deviation of the relative price change for the 30 most recent trading days closing price, expressed as a percentage. If EMA9 is greater than EMA20 and EMA20 is greater than EMA60 it will be stated as Uptrend. If the EMA9 is lesser than EMA20 and the EMA20 is lesser than EMA60, it will be stated as Downtrend, otherwise Consolidation.
EMA9, EMA20, EMA60 Trend	Position of the price away from the EMA20 level
Price vs. EMA20 (%)	Positive directional movement.
DMI DI+	Negative directional movement.
DMI DI-	ADX is a moving average of the directional movement index.
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Price Skew	If the average of 20 days closing price is greater than 20 days Median price, it will be stated Up. If the average of 20 days closing price is lower than 20 days Median price, it will be stated Down.
RSI 14D	RSI measures the momentum of a security to determine whether it is in an overbought or oversold condition. If RSI 14 days is greater or equal to 70, it will be stated Overbought.
RSI OB/OS	If the RSI 14 days is greater or equal to 50, but lower than 70, it will be stated Positive. If the RSI 14 days is greater than 30, but lower than 50, it will be stated Negative. If the RSI 14 days is lower or equal to 30, it will be stated Oversold.
Price vs. Bollinger Band (%)	Position of the price compare to the Bollinger band in percentage