

Hextar Global Bhd

Still onto merger & acquisition spree

- Over 500 products exported to countries like Vietnam, Hong Kong, the Philippines, Cambodia and Singapore through established distributors, hypermarkets, supermarkets and dealer network.
- On a M&A spree with proposed acquisition of 99.9% equity interest in Indonesia-based agrochemical company PT Agro Sentosa Raya (PTASR).
- Eyeing a slice of the digital banking license via a consortium with Arcadia Acres and Ihsan Equity.
- Technically, traders may anticipate for a potential breakout above RM1.62 to target the next resistances at RM1.71-1.77 with long term target at RM1.87.

HEXTAR daily: Monitor for breakout



HEXTAR GLOBAL BHD

Last Price (RM)	1.59
5 Day Change (%)	7.4
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	78.6
52Week Range Percentile (%)	74.6
Volatility 30D	44.1
EMA9, EMA20, EMA60 Trend	Consolidation
Price vs. EMA20 (%)	3.6
DMI DI+	25.8
DMI DI-	18.6
ADX	20.7
Price Skew	UP
RSI 14D	66.7
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	90.7

Bloomberg

Trading Catalyst

- Hextar Global Bhd (HEXTAR) engaged in product distribution of agrochemicals and fertilizers. With well over 500 products, Hextar's products are exported to countries like Vietnam, Hong Kong, the Philippines, Cambodia and Singapore through established distributors, hypermarkets, supermarkets and dealer network.
- Following a series of M&A activities with 2021, there was no slowing down for HEXTAR that is proposing to acquire 99.9% equity interest in Indonesia-based agrochemical company PT Agro Sentosa Raya (PTASR) for RM10.2m. We believe that the proposed acquisition will further solidify HEXTAR's position in the regional agrochemical market.
- Meanwhile, HEXTAR is also eyeing a slice of the digital banking license via a consortium with Arcadia Acres and Ihsan Equity in bid to generate new income stream. As of 4QFY21, HEXTAR net gearing is at a manageable level at 0.5x, despite the group's move in aggressively ramping up on the M&A plans.

Financial snapshot

FYE Dec	FY21	FY22f	FY23f
Revenue (RM m)	464.1	676.0	704.0
Net profit (RM m)	39.6	74.5	78.6
Shares (m)	1313.0	1313.0	1313.0
EPS (sen)	3.0	5.7	6.0
DPS (sen)	2.2	3.4	3.6
P/E (x)	52.7	28.0	26.6
DY (%)	1.4	2.1	2.3

Bloomberg

Technical Outlook

- Technically, share price has staged a pullback since mid-February 2022 after enjoying a decent run for over 2 months. Price has since staged a swift recovery to close above the daily EMA60 level. For now, traders may anticipate for a potential breakout above RM1.62 to target the next resistances at RM1.71-1.77 with long term target at RM1.87. Support is pegged at RM1.48 and cut loss is located at RM1.47.

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.
EMA9, EMA20, EMA60 Trend	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.
Price vs. EMA20 (%)	Position of the price away from the EMA20 level
DMI DI+	Positive directional movement.
DMI DI-	Negative directional movement.
ADX	ADX is a moving average of the directional movement index.
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