

Opcom Holdings Bhd

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Progressing with 5G rollout

- Engages in the (i) manufacturing of fibre optic cables, provision of engineering services to telco and power utilities industries as well as (ii) manufacturing and trading of cable filling and flooding compounds for export market.
- Acquisition of T&J Engineering Sdn Bhd (TJE) for RM90.0m will serve as a new revenue growth driver as well as a complement to the existing business segments.
- Leverage onto its position as a fibre optic cable specialist in the progressive rollout of 5G and strengthening of 4G coverage initiatives.
- Technically, traders may anticipate for a potential flag-formation breakout above RM0.905, targeting the next resistances at RM0.96-0.99 with long term target set at RM1.09.

OPCOM daily: Impending flag-formation breakout



M+ Wiz

Trading Catalyst

- Opcom Holdings Bhd (OPCOM) engages in the (i) manufacturing of fibre optic cables, provision of engineering services to telco and power utilities industries as well as (ii) manufacturing and trading of cable filling and flooding compounds for export markets.
- Going forward, the impending diversification to the provision of telecommunication network infrastructure solutions through the acquisition of T&J Engineering Sdn Bhd (TJE) for RM90.0m will serve as a new revenue growth driver as well as a complement to the existing business segments. Already, TJE has secured the Jalinan Digital Negara (Jendela) Phase 1 project in multiple locations across Sarawak.
- We expect OPCOM will leverage onto its position as a fibre optic cable specialist in the progressive rollout of 5G and strengthening of 4G coverage initiatives. As of

OPCOM HOLDINGS BHD

Last Price (RM)	0.900
5 Day Change (%)	-1.6
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	38.5
52Week Range Percentile (%)	45.9
Volatility 30D	41.9
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	4.7
DMI DI+	27.3
DMI DI-	14.0
ADX	23.2
Price Skew	UP
RSI 14D	77.8
RSI OB/OS	Overbought
Price vs. Bollinger Band (%)	84.7

Bloomberg

Financial snapshot

FYE Mar	FY21	FY22	FY23*
Revenue (RM m)	67.0	87.2	82.5
Net profit (RM m)	2.6	3.9	2.8
Shares (m)	279.1	279.1	279.1
EPS (sen)	0.9	1.4	1.0
DPS (sen)	-	-	-
P/E (x)	97.6	64.0	90.6
DY (%)	-	-	-

Bloomberg

FY23* based on trailing-12-months-data

1QFY23, OPCOM is also equipped with a healthy balance sheet with a net cash position of RM92.8m, translating to net cash per share of 33.2 sen (c.36.9% of share price).

Technical Outlook

- Technically, share price is on the gradual recovery mode and has recently closed above daily SMA200. Price has recently staged a mild retracement towards daily EMA9 accompanied by lower volumes. For now, traders may anticipate for a potential flag-formation breakout above RM0.905, targeting the next resistances at RM0.96-0.99 with long term target set at RM1.09. Support is pegged at RM0.85 and cut loss is located at RM0.845.

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.
RSI OB/OS	If RSI 14 days is greater or equal to 70, it will be stated Overbought. 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