Technical Focus

Tuesday, 06 Jun, 2023



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SFP Tech Holdings Bhd

Expansion on the cards

- One-stop automated equipment solution provider with key clients predominantly in the semiconductor, electrical & engineering and solar photovoltaic industries.
- To expand production capacity through the construction of Plant 3 and addition of 41 new numerical control milling machines and over the next 3 years.
- Proposed to undertake 2 bonus shares for every 1 existing share held as part of their efforts to reward existing shareholders.
- Technically, price has established a short-term breakout above RM2.47, targeting the next resistances at RM2.63-2.75 with long term target set at RM2.94.

SFPTECH daily: Resistance breakout



Trading Catalyst

- SFP Tech Holdings Bhd (SFPTECH) is regarded as a one-stop automated equipment solution provider that offers conceptualising, designing, assembling, and commissioning of automated equipment and production line systems for factory manufacturing lines. Their key clients are predominantly in the semiconductor, electrical & engineering and solar photovoltaic industries.
- Going forward, SFPTECH is on track to expand their production capacity through the
 construction of Plant 3 and addition of 41 new numerical control milling machines
 and over the next 3 years. Meanwhile, the vision inspection equipment handler
 platforms' first-generation equipment from the design and development (D&D)
 activities was developed in 2023 in conjunction with certain customer's end
 application space will boost topline growth.
- SFPTECH has also proposed to undertake 2 bonus shares for every 1 existing share held as part of their efforts to reward existing shareholders for their loyalty and continuous support. Despite undertaking a relatively massive expansion plan,

SFP TECH HOLDINGS BHD			
Last Price (RM)	2.51		
5 Day Change (%)	2.0		
1 Day Range Percentile (%)	1.7		
5 Day Range Percentile (%)	1.0		
52Week Range Percentile (%)	81.7		
Volatility 30D	28.7		
EMA9, EMA20, EMA60 Trend	Consolidation		
Price vs. EMA20 (%)	1.7		
DMI DI+	23.6		
DMI DI-	19.8		
ADX	6.6		
Price Skew	NEUTRAL		
RSI 14D	43.8		
RSI OB/OS	Neutral		
Price vs. Bollinger Band (%)	71.0		
Bloomberg			

Financial snapshot

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FYE Dec	FY22	FY23f	FY24f		
Revenue	85.8	116.5	151.5		
(RM m)					
Net profit	33.4	45.7	62.1		
(RM m)					
Shares (m)	800.0	0.008	800.0		
EPS (sen)	4.2	5.7	7.8		
DPS (sen)	1.0	-	-		
P/E (x)	60.1	44.0	32.4		
DY (%)	0.4	-	-		
Bloomberg					

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SFPTECH continues to operate in a lean balance sheet with net gearing only at 0.01x

Technical Outlook

Technically, share price has staged a strong rally since debuting on Bursa Malaysia nearly a year ago. Price has topped in February 2023 before staging a pullback. After forming a triple bottom formation, price has formed a bullish candle to close above EMA60 and subsequently established a short-term breakout above RM2.47. Price may trend higher, targeting the next resistances at RM2.63-2.75 with long term target set at RM2.94. Support is pegged at RM2.35 and cut loss is located at RM2.34.

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Last Price (RM) Last closing price

Percent change in price over the last five days. The formula is: 5 Day Change (%)

[(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 Calculates the percentile value within the 5-day range 5 Day Range Percentile (%) 52 Week Range Percentile (%) Calculates the percentile value within the 52-week range

A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day Volatility 30D 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, EMA20, EMA60 Trend 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.

If the average of 20 days closing price is greater than 20 days Median price, it will be stated Up. Price Skew If the average of 20 days closing price is lower than 20 days Median price, it will be stated Down

RSI measures the momentum of a security to determine whether it is in an overbought or oversold RSI 14D

condition.

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. RSI OB/OS

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

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