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SFP Tech Holdings Bhd

One-stop automated equipment solution provider

- One-stop automated equipment solution provider with key clients predominantly in the semiconductor, electrical & engineering and solar photovoltaic industries.
- On track to expand their production capacity through the construction of Plant 3 that will ramp up production floor space to 467,000 sqf.
- Gradual adoption of automation processes bodes well for SFPTECH as businesses strive to improve productivity in bid to remain competitive.
- Technically, traders may anticipate for a potential flag-formation breakout above RM1.59, targeting the next resistances at RM1.69-1.78 with long term target set at RM1.91.

SFPTECH daily: Impending flag-formation breakout



M+ Wiz

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. Upon completion, their floor space is expected to ramp up from 147,000 sqf to approximately 467,000 sqf.
- We reckon that the adoption of automation processes bodes well for SFPTECH as businesses strive to improve productivity in bid to remain competitive. As of 2QFY22, SFPTECH is also equipped with a healthy balance sheet with a net cash position of RM31.4m, translating to net cash per share of 3.9 sen (c.2.5% of share price).

SFP TECH HOLDINGS BHD

| | |
|------------------------------|----------|
| Last Price (RM) | 1.59 |
| 5 Day Change (%) | -4.8 |
| 1 Day Range Percentile (%) | 100.0 |
| 5 Day Range Percentile (%) | 31.6 |
| 52Week Range Percentile (%) | 76.6 |
| Volatility 30D | 57.6 |
| EMA9, EMA20, EMA60 Trend | Uptrend |
| Price vs. EMA20 (%) | -0.3 |
| DMI DI+ | 19.2 |
| DMI DI- | 19.3 |
| ADX | 20.0 |
| Price Skew | UP |
| RSI 14D | 64.2 |
| RSI OB/OS | Positive |
| Price vs. Bollinger Band (%) | 54.7 |

Bloomberg

Financial snapshot

| FYE Dec | FY21 | FY22f | FY23f |
|-------------------|-------|-------|-------|
| Revenue (RM m) | 50.4 | 76.6 | 96.3 |
| Net profit (RM m) | 19.4 | 29.2 | 38.0 |
| Shares (m) | 800.0 | 800.0 | 800.0 |
| EPS (sen) | 2.4 | 3.6 | 4.8 |
| DPS (sen) | - | 0.9 | 1.1 |
| P/E (x) | 65.5 | 43.6 | 33.5 |
| DY (%) | - | 0.6 | 0.7 |

Bloomberg

Technical Outlook

- Technically, share price has been on a strong uptrend formation since listing on Bursa Malaysia in mid-2022. Price has formed a mild retracement over the past 2 weeks before rebounding on last Friday to re-test daily EMA20. For now, traders may anticipate for a potential flag-formation breakout above RM1.59, targeting the next resistances at RM1.69-1.78 with long term target set at RM1.91. 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 |
