

Friday, 26 Jan, 2024

## Powerwell Holdings Berhad

### Powering Up With The Regional Growth

- In 2Q24, PWRWELL's net profit grew to RM2.42m from RM1.15m (+109% YoY).
- The Group has established an assembly plant in Indonesia to support the Indonesian market.
- PWRWELL is putting initiatives into cost optimisation to improve net margins.
- Technically, PWRWELL may experience a breakout above RM0.25. Monitor for a breakout, targeting RM0.275-0.28, with a LT target at RM0.29. Support is located around RM0.24-0.245, while cut loss is at RM0.23.

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#### Company profile

PWRWELL is principally involved in the design, manufacturing and trading of electricity distribution products, such as LV switchboards and MV switchgears, which are customised equipment that are tailored to the needs of a building or an infrastructure.

#### PWRWELL daily: Monitor for sideways consolidation breakout



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### Trading Catalyst

- **PWRWELL has seen an improvement in quarterly revenue and net profit.** In 2Q24 PWRWELL's net profit increased to RM2.42m from RM1.15m (+109% YoY) on the back of the stronger revenue of RM40.6m from RM32.6m (+24.5% YoY), which was mainly due to higher sales generated from project deliveries undertaken by the Group during the current financial quarter as compared to the corresponding quarter.
- **PWRWELL plans to expand its products portfolio and solutions in overseas markets,** particularly in Indonesia and Bangladesh. The Group has established an assembly plant in Indonesia to support business growth in the Indonesian market. The regional expansion should provide a meaningful contribution to the overall revenue of the group.
- **PWRWELL is putting initiatives into cost optimisation,** reviewing the production and supply chain processes to mitigate the impact of higher raw material prices. This should improve the profit margins and enhance the overall operational efficiency.

#### POWERWELL HOLDINGS BHD

Last Price	0.250
5 Day Change (%)	0.0
Open	0.240
Intraday High	0.255
Intraday Low	0.240
1 Day Range Percentile (%)	66.7
5 Day Range Percentile (%)	80.0
52Week Range Percentile (%)	72.7
Volatility 30D	45.0
EMA9, EMA20, EMA60 Trend	<b>Uptrend</b>
EMA9	0.249
EMA20	0.246
EMA60	0.242
Price vs. EMA20 (%)	<b>1.5</b>
DMI DI+	18.2
DMI DI-	15.7
ADX	<b>24.3</b>
Avg	0.24575
Median	0.24500
Price Skew	<b>UP</b>
RSI 14D	<b>47.4</b>
RSI OB/OS	<b>Negative</b>
Upper Band	0.3
Lower Band	0.2
Price vs. Bollinger Band (%)	64.4

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#### Financial snapshot

FYE Dec	FY21	FY22	LTM
Revenue (RM m)	80.9	159.1	168.1
Net profit (RM m)	-3.0	6.8	8.1
Shares (m)	580.6	580.6	580.6
EPS (sen)	-0.5	1.2	1.4
DPS (sen)	0.0	0.0	0.0
P/E (x)	-49.1	21.7	18.2
DY (%)	0.0	0.0	0.0

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LTM represents the trailing 12 months figures.



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## Technical Outlook

- Share price is consolidating sideways and may experience a sideways consolidation breakout above RM0.25. As the technical readings are positive, we expect follow-through buying interest to be seen in the near term, targeting RM0.275-0.28, with a LT target at RM0.30. Support is set around RM0.24-0.245, with a cut loss set around RM0.23.

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As of **Friday, 26 Jan, 2024**, the analyst(s), Loui Low Ley Yee, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.

## 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



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