TECHNICAL FOCUS

Tuesday, 25 Mar, 2025

ELRIDGE (0318)

"Sage Ruler" in the Renewables Segment

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TradingView

Elridge Energy Holdings Berhad

Company profile

Elridge Energy Holdings Berhad is involved in the manufacturing and trading of biomass fuel products, particularly PKS and wood pellets. EEHB primarily serves international markets, like Japan and Indonesia.

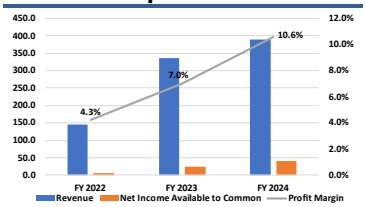
Technical Data	
Price	0.470
R1	0.525
R2	0.53
S1	0.450
S2	0.455

M+ Research, Bloomberg

Technical Outlook

Charting new territory. Elridge Energy Holdings Berhad (EEHB) is looking to extend its bullish trend while testing immediate resistance at RM0.475–0.480. A breakout above this level would confirm a bullish bias, targeting RM0.525-0.53, whereas a drop below the RM0.450 support would signal a potential correction.

Financial Snapshot



M+ Research, Bloomberg

Trading Catalysts

Japan Feed-in-Tariff (FiT). Japan's Feed-in Tariff (FiT) program, which promotes renewable energy (RE) adoption and reduces fossil fuel dependence, presents a key opportunity for EEHB. As one of EEHB's export partners for renewable energy products, Japan's FiT-driven market growth could strengthen demand for EEHB's offerings.

Catering to its growing demand, EEHB is currently expanding its production capacity at Pasir Gudang, Kuantan, and Lahad Datu, which is expected to increase its annual production to 1,690k MT PA over the next few years from 240k MT PA pre-IPO.

Within expectation. EEHB posted RM389.1m in revenue, in line with our FY24 estimate of RM379.1m, with its net margin increased from 7.0% in FY23 to 10.6% in FY24, reflecting its operational efficiency. With this, we maintain our FV at RM0.54.

Peer Comparison

Company	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend	M+ Scoring Quality	M+ Scoring Momentum	M+ Scoring Combined
ELRIDGE	**0.465**	**930.0**	**22.6**	**19.4**	**40.7**	**10.6**	**Positive bias**	**Up**	**B**	**B**	**B**
TSH	1.210	1621.5	11.9	12.6	6.9	13.8	Positive bias	Up	C	B	B
BMGREEN	1.810	1244.9	19.7	21.8	12.2	7.6	Positive bias	Up	B	A	A
KENERGY	0.650	357.5	10.8	-	26.0	17.0	Negative bias	Down	A	D	B
TEXCYCL	0.950	263.9	16.5	-	9.4	42.0	Negative bias	Down	C	B	B
CEPAT	0.715	220.9	10.2	-	5.3	7.1	Negative bias	Down	C	B	C
MHC	1.040	204.4	7.1	-	8.7	5.7	Positive bias	Up	C	C	C
HHRG	0.125	120.2	10.3	-	5.6	5.7	Positive bias	Up	C	E	E
BTM	0.045	56.5	0.0	0.0	-9.3	-89.9	Oversold	Down	D	D	D
Avg ex-ELRIDGE		**1074.6**	**14.1**	**17.2**	**15.0**	**12.8**					

Source: Bloomberg, M+ Research

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(a) nil.