

Padini Holdings Bhd

Kenneth Leong
kennethleong@msec.com.my
(603) 2201 2100

Tailoring to the uncertainties

- Operates 141 retail stores, covering 1.5m sqf of gross floor area under several household brands such as Vincci, Vincci+, Vincci Accessories, Tizio, Padini Authentics, PDI, Padini, Seed, Miki and P&Co.
- Decline in shopping complexes footfall has attributed to the weaker performance in FY20 will see recovery from own digital marketing channels and third-party online portals such as Lazada platform.
- Healthy balance sheet with net cash position of RM25.2m, translating to net cash per share of RM0.04 in 1QFY21. Technically, a breakout above RM2.84 may drive share price higher towards the next resistances at RM3.00-3.17 with long term target at RM3.30.

PADINI daily: Monitor for breakout



M+ Wiz

PADINI HOLDINGS BHD

| | |
|------------------------------|---------------|
| Last Price (RM) | 2.83 |
| 5 Day Change (%) | 1.1 |
| 1 Day Range Percentile (%) | 100.0 |
| 5 Day Range Percentile (%) | 64.3 |
| 52Week Range Percentile (%) | 58.0 |
| Volatility 30D | 47.5 |
| EMA9, EMA20, EMA60 Trend | Consolidation |
| Price vs. EMA20 (%) | 0.5 |
| DMI DI+ | 21.8 |
| DMI DI- | 19.7 |
| ADX | 24.2 |
| Price Skew | DOWN |
| RSI 14D | 45.3 |
| RSI OB/OS | Negative |
| Price vs. Bollinger Band (%) | 43.1 |

Bloomberg

Trading Catalyst

- Padini Holdings Bhd (Padini) engages in the distribution and retail of garments, ladies shoes, bags, belts and other accessories through the multi-brand Padini Concept Stores and Brands Outlet stores under several household brands such as Vincci, Vincci+, Vincci Accessories, Tizio, Padini Authentics, PDI, Padini, Seed, Miki and P&Co. As of FY20, Padini operates 141 retail stores, covering 1.5m sqf of gross floor area.
- The decline in shopping complexes footfall has attributed to the weaker performance in FY20. Nevertheless, Padini has transformed the business model from retail outlets the introduction of product features through Facebook live cast and Instagram under their own digital marketing channel. Padini has also started selling their products on Lazada platform and is currently exploring to engage more online portals.

Financial snapshot

| FYE Jun | FY20 | FY21f | FY22f |
|-------------------|--------|--------|--------|
| Revenue (RM m) | 1354.7 | 1516.5 | 1625.0 |
| Net profit (RM m) | 75.3 | 112.4 | 135.4 |
| Shares (m) | 657.9 | 657.9 | 657.9 |
| EPS (sen) | 11.4 | 17.1 | 20.6 |
| DPS (sen) | 7.5 | 7.6 | 10.0 |
| P/E (x) | 24.7 | 16.6 | 13.8 |
| DY (%) | 2.7 | 2.7 | 3.5 |

Bloomberg

- While Padini is not targeting to open any new physical stores, we reckon that business sustainability and recovery will emanate from the improved online sales. We also note that Padini continues to operate in a healthy balance sheet with net cash position of RM25.2m, translating to net cash per share of RM0.04 in 1QFY21.

Technical Outlook

- Technically, share price has staged a pullback since end-2020 before finding stability along the daily EMA120 level. Price has subsequently rebounded to re-test the daily EMA20 level. We may anticipate for a breakout above the RM2.84 resistance level to target further upside towards the next resistances at RM3.00-3.17 with long term target at RM3.30. Support is pegged at RM2.74 and cut loss is located at RM2.72.

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. 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. |
| EMA9, EMA20, EMA60 Trend | Position of the price away from the EMA20 level |
| Price vs. EMA20 (%) | Positive directional movement. |
| DMI DI+ | Negative directional movement. |
| DMI DI- | ADX is a moving average of the directional movement index. |
| ADX | 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 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 |