

Technical Focus

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Hibiscus Petroleum Bhd

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Riding on higher crude oil prices

- Malaysia's first public listed independent oil and gas exploration and production firm, focusing on the development and production of oilfield assets in United Kingdom, Malaysia and Australia.
- Proposed acquisition of Repsol Exploración SA assets which commands approximately 2.0% of global net crude oil output for USD212.5m cash will double HIBISCS daily production to 18,500 bdp.
- Riding on recovery in crude oil prices, owing to improved demand, supply disruptions and escalating geopolitical tension in the Middle East. Technically, price has formed a flag-formation breakout above RM0.655 level, targeting the next resistances at RM0.68-0.705 with long term target set at RM0.73.

HIBISCS daily: Flag-formation breakout



M+ Wiz

Trading Catalyst

- Hibiscus Petroleum Bhd (HIBISCS) is the Malaysia's first public listed independent oil and gas exploration and production firm, focusing on the development and production of oilfield assets in United Kingdom, Malaysia and Australia. In FY20, net production rate stands at an average 9,120 barrels per day (bpd).
- Moving forward, the proposed acquisition of Repsol Exploración SA assets for USD212.5m cash, will double its daily production to 18,500 bdp. The move is expected to be earnings accretive over the long run whereby the targeted acquisition that commands approximately 2.0% of global net crude oil output.
- We reckon that HIBISCS is now riding on the recovery in crude oil prices (Brent oil price is hovering above USD70/bbl), owing to improving demand, supply disruptions and escalating geopolitical tension in the Middle East. Already, HIBISCS demonstrated strong improvement in recent earnings with FY21 net profit at

HIBISCUS PETROLEUM BHD

Last Price (RM)	0.665
5 Day Change (%)	9.9
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	92.9
52Week Range Percentile (%)	65.7
Volatility 30D	29.7
EMA9, EMA20, EMA60 Trend	Consolidation
Price vs. EMA20 (%)	4.3
DMI DI+	28.5
DMI DI-	19.4
ADX	22.1
Price Skew	UP
RSI 14D	62.1
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	105.7

Bloomberg

Financial snapshot

FYE Jun	FY21	FY22f	FY23f
Revenue (RM m)	646.5	1220.0	1640.3
Net profit (RM m)	40.3	227.7	368.0
Shares (m)	1588.2	1588.2	1588.2
EPS (sen)	2.5	14.3	23.2
DPS (sen)	-	0.7	0.7
P/E (x)	26.2	4.6	2.9
DY (%)	-	1.1	1.1

Bloomberg

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RM103.7m vs. a net loss of RM49.3m recorded in FY20.

Technical Outlook

- Technically, share price has re-traced over the past 2 months before finding some stability over the past couple of weeks. Price has rebounded to close above the daily EMA60 level. Price has also formed a flag-formation breakout above RM0.655 level, targeting the next resistances at RM0.68-0.705 with long term target set at RM0.73. Support is pegged at RM0.625 and cut loss is located at RM0.62.

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