



Retail Research

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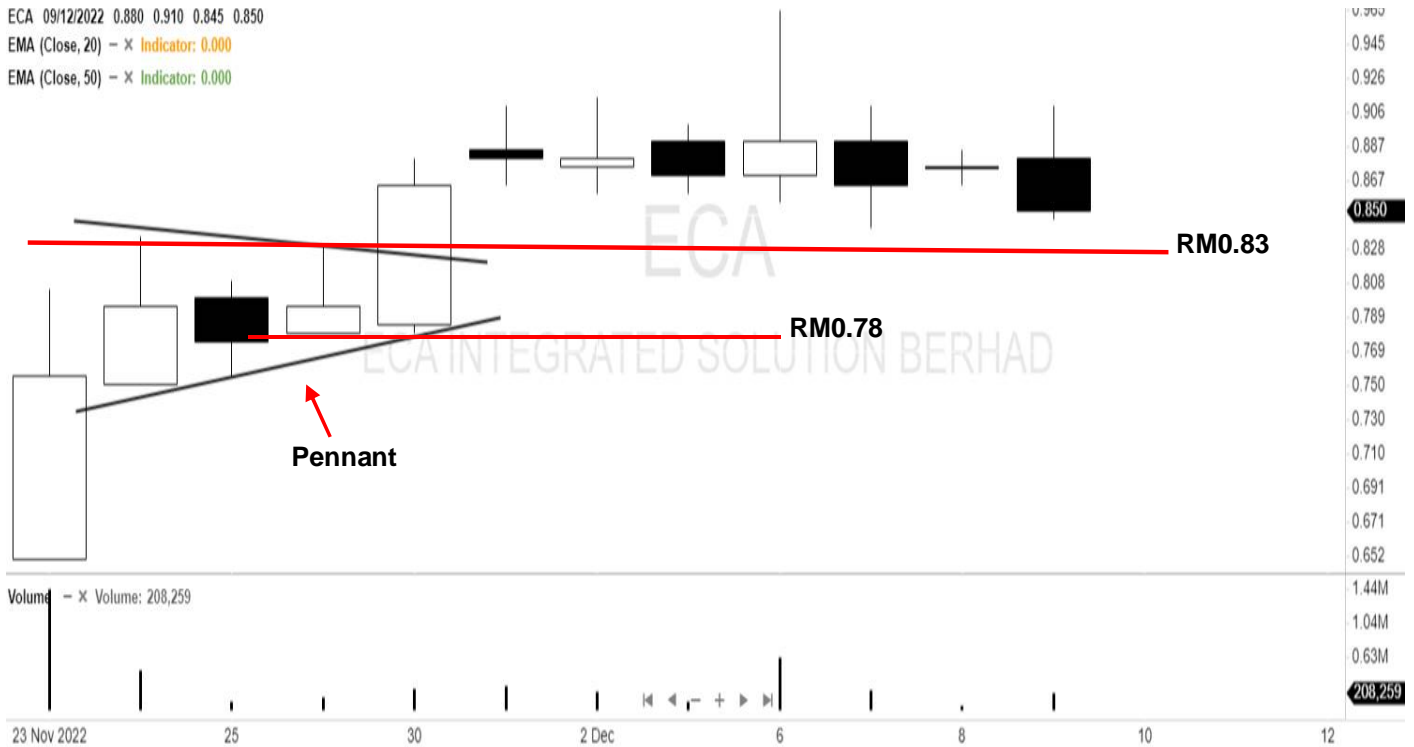
12 December 2022

ECA INTEGRATED SOLUTION

ECA 09/12/2022 0.880 0.910 0.845 0.850

EMA (Close, 20) - x Indicator: 0.000

EMA (Close, 50) - x Indicator: 0.000



Bursa Code: ECA, 0267	Support 1: RM0.83	Last Price: RM0.85
Sector: Technology	Support 2: RM0.78	Entry: RM0.83–0.85
Market Cap: RM491m	Resistance 1: RM0.97	Target: RM0.97, RM1.00
Shariah Compliant: No	Resistance 2: RM1.00	Exit: RM0.77

Technical Analysis. Together with the long white candle and the breakout of the bullish pennant pattern seen on 30 November indicates that ECA Integrated Solution's buying momentum is back. With the stock trading near its all-time high, a positive outlook can be expected here. A bullish bias may emerge above the RM0.83 level, with a stop-loss set at RM0.77, below the 30 Nov low. Towards the upside, the near-term resistance level is seen at RM0.97, followed by RM1.00.

Company Background. ECA Integrated Solution (ECA) is an automated manufacturing solution provider for integrated production systems and standalone automated equipment. Its core expertise in the provision of integrated production systems lies within its capability to conceptualise and design suitable systems. In addition, the group also designs, fabricates, configures, tests and commissions standalone automated equipment - i.e. specific standard equipment or custom-built equipment.

Prospects. (i) Expand production output and enhance capability - investing in new machineries and skilled manpower to further strengthen its reputational standing as an automated manufacturing solution provider. (ii) Expand into the provision of Smart Factory Solutions and collaborate on more design and development (D&D) initiatives. This can also be cross sold to its existing customers to complement its existing integrated production systems.

Financial Performance. In 3QFY22, the group reported revenue of RM10m with a PAT of RM3.2m. No comparative figures for the preceding year's quarter are available as ECA Integrated Solution is a newly listed company on 23 Nov 2022. Prior to the listing, the group's revenue recorded a CAGR growth of 63% while the group's PAT registered a CAGR growth of 142% in FY19-FY21.

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