

Friday, 08 Dec, 2023

ITMAX System Berhad

Smart Security Solutions Provider

- ITMAX is a provider of smart lighting systems, video surveillance and traffic management, and communications network services.
- Net profit has been increasing steadily due to the ongoing and several projects won, coupled with the consistent recurring income capabilities.
- With the proven track record, ITMAX is poised to win more contracts in the Johor region. Besides the state government, ITMAX has won a contract from MAHB with a value of RM3.9m.
- Technically, ITMAX has experienced a breakout above RM1.77, targeting RM1.90-1.92, with a LT target at RM2.00. Support is located around RM1.68-1.70, and cut loss is set around RM1.65.

ITMAX daily:



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Trading Catalyst

- ITMAX delivered better earnings in 3Q23 as compared to 2Q23, as revenue grew 17.1% QoQ to RM39.1m, while net profit added 7.84% QoQ to RM16.3m. Revenue growth was supported by the stronger demand in supply, install and maintain services (SINMS).
- ITMAX are poised to win new projects in the near future as currently ITMAX has secured contracts from 3 out of 16 councils in Johor. Drawing from their expertise and proven track record in this field, we strongly believe they might win more contracts in the near future.
- ITMAX has been awarded a project from MAHB. Besides getting contracts from state governments, ITMAX has secured a contract from MAHB in 3Q23 with a value of RM3.9m, where the group will supply and install aeronautical ground lighting control system for 6 airports in Malaysia.

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Company profile

ITMAX is a provider of smart lighting systems, video surveillance and traffic management, and communications network services

ITMAX SYSTEM BHD

Last Price (RM)	1.80
5 Day Change (%)	2.3
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	100.0
52Week Range Percentile (%)	83.3
Volatility 30D	23.4
EMA 9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	1.7
DMI DI+	19.8
DMI DI-	20.2
ADX	18.8
RSI 14D	46.9
RSI OB/OS	Negative
Price vs. Bollinger Band (%)	80.3

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Financial snapshot

FYE Dec	FY21	FY22	FY23
Revenue (RM m)	79.8	107.3	155.7
Net profit (RM m)	29.2	40.6	65.7
Shares (m)	1028.6	1028.6	1028.6
EPS (sen)	2.8	3.9	6.4
DPS (sen)	0.6	0.8	1.3
P/E (x)	63.3	45.6	28.2
DY (%)	0.3	0.4	0.7

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Technical Outlook

- Share price has been consolidating sideways and breakout above RM1.77, we expect follow-through buying interest to be seen in the near term, targeting the RM1.90-1.92, with a LT target at RM2.00. Support is set around RM1.68-1.70, with a cut loss set around RM1.65.

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As of **Friday, 08 Dec, 2023**, the analyst(s), Azam Fikri Bin Taifor, 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

