ITMAX System (5309)

Downtrend Line Breakout



Bloomberg

Technical Outlook

After forming a bullish engulfing pattern at the 3.63 support, the stock broke out of a triangle pattern on healthy volume, signalling bullish momentum—poised to test the immediate resistance at RM4.10, with our target profit at RM4.18. A drop below 3.55 would negate the breakout and suggest further downside move.

Trading Catalysts

Johor, never intend to slow… With the wins from MBJB, MBIP, MBPG, and MPKU, ITMAX secured a 15-year contract—one of the longest in its pipeline—presents a strong opportunity to upsell additional features, expand coverage, and extend its job scope to MPP.

…and recurring base continue to grow. With contract wins covering 135 CCTVs and 5 smart junctions pending AI upgrades, the management alluded that it would contribute an additional rental income of approximately RM1K per CCTV per month, which we expect will enhance its earnings visibility.

Mirroring Johor upcycle in Penang. In January 2025, ITMAX secured a contract to upgrade 513 of the existing 1,000 CCTVs in Penang, with 221 of these units to be equipped with traffic-related AI features. We believe this contract win could open up new business opportunities for ITMAX, mirroring its success in Johor.

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
ITMAX	**3.800**	**3919.8**	**48.7**	**42.7**	**21.6**	**36.5**	**Positive bias**	**Up**	**A**	**A**	**A**
QES	0.405	337.8	19.6	14.0	9.7	6.4	Negative bias	Up	B	C	C
MIKROMB	0.210	253.7	17.1	-	5.1	62.7	Negative bias	Up	B	A	A
K1	0.135	112.3	198.8	-	0.5	0.3	Negative bias	Up	D	B	B
SOLUTN	0.110	53.2	-	-	-8.7	-5.8	Positive bias	Up	C	E	D
Avg ex-ITMAX		**189.3**	**78.5**	**14.0**	**1.7**	**15.9**					

Source: Bloomberg, M+ Research

Muhammad Nabil
muhammadnabil@msec.com.my
(603) 2201 2100

ITMAX System Berhad

Company profile

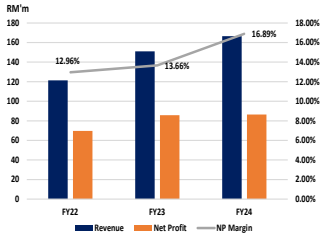
ITMAX operates as an integrated digital infrastructure provide which offer public space networked systems and related AI solutions that promote sustainable living efficiently managed cities, townships, and enterprises.

Technical Data

Price	3.80
R1	4.10
R2	4.18
S1	3.63
S2	3.55

M+ Research, Bloomberg

Financial Snapshot



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(a) nil.