



AmInvestment Bank

STOCK IDEA

Retail Research

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11 June 2025

CRITICAL HOLDINGS (CHB | 0291)

Last Price: RM0.82 | Technical Call: BUY | Target Price: RM1.00

CRITICAL HOLDINGS BERHAD, D, KL
EMA (20, close, 0)
EMA (50, close, 0)
Volume (20)



| | | |
|-------------------------------|-----------------------------|-------------------------------|
| Bursa Code: CHB, 0291 | Support 1: RM0.80 | Entry: RM0.80–0.82 |
| Sector: Industrial | Support 2: RM0.73 | Target: RM0.90, RM1.00 |
| Market Cap: RM305mil | Resistance 1: RM0.90 | Exit: RM0.72 |
| Shariah Compliant: Yes | Resistance 2: RM1.00 | |

Company Profile. Critical Holdings (CHB) is a provider of mechanical, electrical, and process utilities (MEP) design and engineering solutions in Malaysia, specializing in data centres, plantroom MEP systems, and cleanrooms & process utilities for critical facilities. These facilities include advanced technology manufacturing floors, laboratories, hospitals, healthcare centres, and data centres. The group's core focus is the design & build, project management, supply, installation, testing, and commissioning of MEP systems for newly constructed critical facilities. It also offers MEP maintenance and after-sales support.

Growth Strategies. (i) Set for continued growth with a robust RM282mil order book as of March 2025, supported by strong demand in high-growth sectors such as semiconductors, electric vehicles (EVs), and data centres, as well as government support through the National Semiconductor Strategy and targeted incentives. (ii) Tapping into opportunities in Central and Southern Malaysia—particularly in medical, EV, and data centre sectors—while expanding in Johor to benefit from rising tech activities, cost advantages, and the upcoming Johor-Singapore Special Economic Zone (JS-SEZ). (iii) Increasing investor interest in industrial properties reflects strong sector momentum, with strategic positioning to capture future demand aligned with national high-tech goals.

Financial Performance. In 9MFY25, CHB reported higher revenue of RM218.7mil (+23.6% YoY) and a PAT of RM19.6mil (+60% YoY). This was primarily driven by increased revenue from the MEP engineering solutions segment, improved gross profit margin, and better cost efficiency.

Valuation. CHB is trading at an FY26F P/E of 9x, below the Bursa Industrial Production Index's 20.6x. For comparison, KJTS Group, a building support services provider that focuses on providing cooling energy, cleaning, and facilities management services, trades at a higher FY26F P/E of 16.9x.

Technical Analysis. CHB may trend higher after posting a long bullish candle and closing above the RM0.80 resistance yesterday. As the 20-day and 50-day EMAs formed a bullish crossover a few candles ago, additional upside momentum may be present in the near term. A bullish bias may emerge above the RM0.80 level, with stop-loss set at RM0.72, below the 50-day EMA. Towards the upside, near-term resistance level is seen at RM0.90, followed by RM1.00.

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