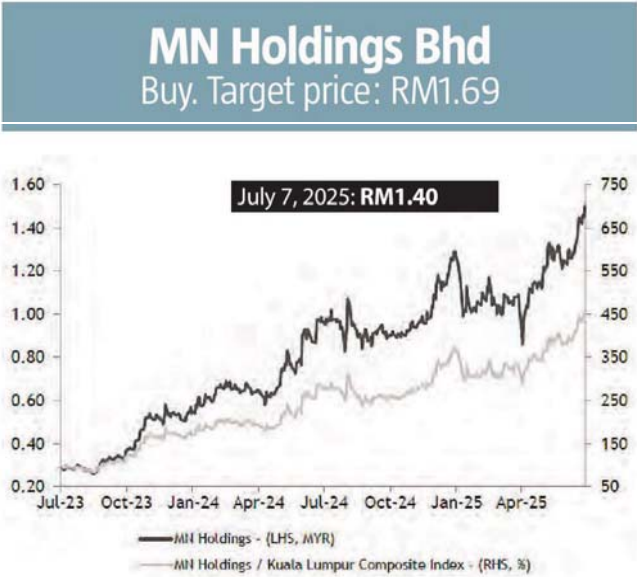




08 JUL, 2025

MN Holdings Bhd Buy. Target price: RM1.69

The Sun, Malaysia



Source: Maybank IBG Research

MN Holdings (MNH) secured a RM29.3m EPCC contract from TNB for substation works in Johor, lifting its order book to RM1.17b. The latest award reaffirms MNH as a potential beneficiary of the country's utility upgrades. The group is also actively exploring opportunities in LSS projects, Battery Energy Storage System (BESS), water and waste-water projects. These should help alleviate concerns over potential US AI-chip export ban, though we believe the impact to MNH is limited.

MNH has secured a RM29.3m EPCC contract from TNB for the installation of two new 132kV transformer bays at PMU 132/33kV Tanjung Langsat Industrial Estate in Johor. The scope includes the supply, installation, testing, and commissioning of power transformers, switchgear, and related civil works. The contract, which commenced on 3 Jul 2025, will run for 540 days. The EBIT margin is estimated at around 9%, translating to a total EBIT contribution of approximately RM2.6m over the contract duration. This contract makes up about 6% of our RM500m FY6/26E order replenishment target. MNH's outstanding order book stands at RM1.17b, equivalent to 4.5x its FY24A revenue.

While concerns have emerged over potential impact of the US AI chip export ban on Malaysia, the risk to MNH is minimal, in our view. Its data centre outstanding order book is largely supported by Chinese clients, who are not significantly impacted by the restriction. In addition, many of these clients operate cloud workloads that are CPU-based and not dependent on GPU-as-a-service models, which fall outside the scope of the ban.

Reiterate BUY with a RM1.69 TP. – **Maybank IBG Research, July 7**