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## MN VN Holdings to sustain earnings growth in 1H26



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**PETALING JAYA:** MN Holdings Bhd is expected to sustain its earnings growth in the first half of its financial year ending June 30, 2026 (1H26) on the back of accelerated progress billings for data centre projects, analysts say.

Phillip Research noted in a report that MN Holdings' order book stood at RM1.1bil as of August, comprising data centres (46%), jobs from Tenaga Nasional Bhd (TNB, 39%), solar (3%), water sewerage (2%), and others (10%).

"We expect the robust order book to drive earnings momentum in 1H26, particularly from the completion of two substation extension projects worth RM92mil for one client, and ongoing substation engineering, procurement, construction and commissioning projects worth RM170mil for a second client, and RM180mil for a third.

MN Holdings is principally involved in the provision of infrastructure utilities construction services and solutions.

Phillip Research noted that MN Holdings' tender book saw a reduction to RM777mil (down 58% quarter-on-quarter) after losing out on several data centre and TNB projects.

"The current tender book mix consists of data centre (44%), solar (24%) and TNB (14%) jobs.

"We view the lower tender book value as a temporary setback, as MN Holdings is preparing fresh tenders in both the data centre and TNB segments, while also holding first-right-of-refusal for two key data centre customers worth a combined RM480mil."

On the solar front, MN Holdings is bidding for four Large Scale Solar 5 (LSS5) interconnection facility projects worth RM186mil and eyeing an additional seven other tenders estimated at RM350mil.

"We view the group's rising participation in solar projects positively, with a sizeable 6GW capacity to be progressively rolled out under LSS5, LSS5+ and LSS6 over the next three years."

Additionally, Phillip Research said MN Holdings is building its war chest for further growth.

"We understand that Customer A is actively securing land in the central region to support an expansion pipeline of up to 1 GW capacity, which could translate into sizeable contract opportunities of up to about RM750mil for MN Holdings.

"To position itself for this growth, MN Holdings has proposed a private placement to raise up to RM96mil to strengthen its war chest in preparation for the client's aggressive expansion plan."

The research house estimates the fund-raising exercise could equip MN Holdings with the capacity to undertake projects worth up to RM2bil.

"Importantly, MN Holdings is already the sole contractor for Customer A's substation projects in Johor. This proven track record gives it a clear competitive edge as Customer A expands into the central region."

Phillip Research reiterated its "buy" rating and RM1.82 target price on the company, pegged to an unchanged 18 times price-earnings multiple on fully diluted calendar year 2026 earnings per share.

"We continue to like MN Holdings as a proxy for Malaysia's expanding power infrastructure and strategic exposure in the rapidly growing data centre and solar sectors.

"Key risks to our 'buy' call include slower-than-expected project rollouts affecting order book replenishment and unforeseen delays."