



MNH to gain from rising power demand

Sentiment	Positive	Frequency	Daily
Outlet Country	Malaysia	Outlet Language	English
Impressions	582,136	Circulation	291,068
PR Value	174,641	Page	7

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PETALING JAYA: MN Holdings Bhd (MNH) has an order book of about RM723mil, representing 2.8 times financial year 2024 (FY24) revenue cover that will keep the company busy over the next two years.

Its year-to-date contract wins of about RM536.2mil is within its assumption of RM600mil for FY25, according to Hong Leong Investment Bank Research.

It expects contract wins from Tenaga Nasional Bhd (TNB) to be supported by its increased capital expenditure under the Regulatory Period 4 (RP4) period.

"This is shown in MNH's tender book, where 37% of its RM1.3bil tender are related to TNB projects," the research house said.

Additionally, robust demand for power infrastructure solutions from the private sector, particularly data centres could drive better pricing as TNB seeks to secure contractors.

The research house maintained its "buy" call on the stock with a target price of RM1.60 a share and this is based on a 22 times 2025 price earnings ratio.

"We favour the company for its strong exposure to high-growth sectors such as solar and data centres. Additionally, MNH is well-positioned as a proxy for Malaysia's rising power demand and stands to benefit from TNB's capital expenditure upcycle," the research house said.

MNH's wholly-owned subsidiary, Mutu Nusantara Sdn Bhd, secured a letter of award recently worth RM58.2mil from TNB to establish a new 132 kilovolt power management unit in Perlis.

The project involved setting up a gas insulated switchgear substation.

Works are set to commence immediately, with completion targeted within 840 days or by June 2027.

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Additionally, the inclusion of TNB's green line pathway programme in the first quarter for its substation engineering segment leaned toward faster-paced projects, leading to a stronger contribution from TNB.