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## National grid expansion plan a boon for MN Holdings

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**PETALING JAYA:** Hong Leong Investment Bank (HLIB) Research remains bullish on MN Holdings Bhd, as the group's earnings visibility continues to strengthen on the back of a record order book, rising exposure to data centre (DC) projects and growing opportunities from Tenaga Nasional Bhd's (TNB) grid expansion plans.

HLIB Research said it continues to see room for earnings upgrades should project execution remain smooth and funding constraints ease. "We stay upbeat on MN Holdings and see upside potential to our forecast should execution remain smooth and financial bottlenecks ease.

"The group's financial year 2027 (FY27) earnings trajectory looks straightforward, underpinned by its record-high order book and improving project mix," the research house said, maintaining its "buy" call with an unchanged target price of RM3.28,

The optimism is anchored by MN Holdings' record-high order book of RM1.7bil as at May 2026, significantly higher than the RM1.1bil it had carried into FY26. DC-related jobs now account for about 70% of the order book, up from roughly 40% at the start of FY26.

HLIB Research expects the larger order book and higher proportion of fast-tracked DC projects to drive sequential earnings growth over the coming quarters as recently secured contracts move into the execution phase.

The research house noted that around RM1.19bil, or 70% of the current order book, is expected to be delivered within FY27, providing strong revenue visibility.

Beyond existing projects, MN Holdings is also well-positioned to benefit from a potential acceleration in TNB's transmission infrastructure spending. The company's tender book remains robust at RM3.6bil, with TNB-related jobs accounting for 64% of the pipeline.

HLIB Research highlighted that TNB is expected to roll out four to five 500kV Main Intake Substations or PMU projects in 2026, a significant increase from the typical one or none awarded annually.

These projects are particularly attractive as contract values can exceed RM500mil, compared with around RM200mil for conventional 275kV PMU jobs.

The research house also remains positive on MN Holdings' prospects in the DC segment. Since January 2026, the company has secured RM390mil worth of contracts from three different Western-based customers, reinforcing its credentials as a preferred contractor for time-sensitive projects.

The research house forecasts core net profit to rise to RM105.6mil in FY26 and RM113.6mil in FY27.