



21 APR, 2026

## Strong exposure to high-growth sectors a boon for MN Holdings

The Star, Malaysia



# Strong exposure to high-growth sectors a boon for MN Holdings

**PETALING JAYA:** Analysts are positive on MN Holdings Bhd's prospects, as the group is fast gaining an edge in time-critical data centre (DC) tenders, securing delivery of 275kV transformers which are in short supply and have long lead times earlier than its peers, backed by long-standing supplier relationships.

MN Holdings recently secured a RM276mil DC contract in Negri Sembilan that commenced this month and is targeted for completion by June 2027.

With this latest win, Hong Leong Investment Bank (HLIB) Research in a report said MN Holdings' order book had reached a record of RM1.75bil, bringing total contract wins for the financial year 2026 (FY26) to about RM1.1bil.

The order secured had also surpassed FY25's record level of RM1bil and the order book represented a strong 3.2 times cover of

FY25 revenue, which will keep the group busy over the next two years.

The research house added the margin for this project is expected to be slightly lower than the previous round of DC jobs estimated at an 8% net profit margin due to a higher proportion of procurement scope (over 45% procurement) involved in this project.

The new contract win also came as a surprise, as MN Holdings' management had previously guided only about RM600mil (versus around RM850mil awarded) of DC contracts to convert into order book in the remaining FY26.

HLIB Research has also raised MN Holdings' earnings forecasts by 0.3%, 10.2% and 14.2% for FY26, FY27 and FY28, respectively.

Post-earnings revision, the stock's target price is also raised to RM2.84 from RM2.70 earlier.

Additionally, MN Holdings is well-positioned as a proxy for Malaysia's rising power demand and stands to benefit from Tenaga Nasional Bhd's capital expenditure upcycle.

Meanwhile, an analyst with a bank-backed brokerage said MN Holdings' ability to secure 275kV transformers on shorter lead times than peers, places it in a strong position to capture the upcoming wave of consumer landing station jobs from Western players, of which some have just awarded their civil and structural contracts.

According to Phillip Securities Research, including the recent win, MN Holdings has secured about RM1.1bil in new contracts in FY26, representing 125% of its FY26 replenishment assumption of RM900mil.

Phillips Research maintained a "buy" call on the stock with a target price of RM2.59 per share.