31 OCT, 2025

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The Star, Malaysia

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PETALING JAYA: MN Holdings Bhd is expected to sustain strong earnings growth in the first half of its financial year ending June 30, 2026 (1H26), supported by a solid order book and pipeline of data centre, utility and renewable energy projects, says Maybank Investment Bank Research (Maybank IB).

With several high-value data centre contracts nearing completion, the group is projected to deliver robust financial performance in the coming quarters, according to the research house.

MN Holdings' near-term earnings trajectory remains well supported by its RM1.1bil outstanding order book. The portfolio consists of data centre projects (46%), Tenaga Nasional Bhd (TNB) projects (39%), solar (3%), water sewerage (2%) and others (2%).

"We anticipate MN Holdings to record robust earnings momentum in 1H26, well supported by its robust RM1.1bil order book with expected completion of several data centre projects," it said.

It noted that earnings momentum in 1H26 would mainly stem from the completion of two data centre substation design-and-build projects for customer C (RM169.6mil) and customer E (RM180mil), as well as two substation extension jobs for customer A (totalling RM92.5mil).

Maybank IB also highlighted MN Holdings' active order replenishment prospects, with its tender book rising sharply to RM1.2bil as of this month from RM776.7mil in August, representing a 57.8% rebound.

"We are positive on the recovery of its tender book," the research house said, adding that the recovery was driven by higher tender activity in data centres (up 51%), TNB (up 75%) and solar (up 32%) projects.

The company is bidding for three to four data centre projects worth RM515mil in Cyberjaya and Johor. On the renewable energy front, Maybank IB noted growing opportunities from interconnection facility works under the large-scale solar five (LSS5) and LSS5+ programmes.

"MN Holdings aims to secure three to four solar-related projects – each estimated to be worth between RM30mil and RM50mil. We view this target as achievable, given MN Holdings' solid track record with several solar engineering, procurement, construction and commissioning players," it added.

Maybank IB has maintained its earnings forecast and reiterated a "buy" call on MN Holdings, with an unchanged target price of RM2.27, pegged to 23 times FY26 estimated earnings per share.