

Kerjaya Prospek secures construction contract

First deal of the year valued at RM201.3mil

CORPORATE

PETALING JAYA: Kerjaya Prospek Group Bhd is targeting RM2bil in order-book replenishment for its financial year ending Dec 31, 2026 (FY26), following the award of its first contract of the year valued at RM201.3mil.

Based on its filings with the local bourse, the group had replenished about RM1.79bil worth of contracts last year.

Group chief executive officer and executive director Tee Eng Tiong said the group's first win of the year lifts its total outstanding order book to RM4.4bil.

"With a targeted RM2bil in order-book replenishment for FY26, we remain focused on strengthening our portfolio with projects that capitalise on our proven construction capabilities," he noted in a statement.

Kerjaya Prospek Group said its wholly owned subsidiary Kerjaya Prospek (M) Sdn Bhd secured the latest contract from Greencove Sdn Bhd to construct two blocks of residential apartments in Damansara Damai, Selangor.

Greencove is a wholly owned subsidiary of Kerjaya Prospek Property Bhd, in which Kerjaya Prospek Group major shareholder and non-executive chairman Datuk Seri Tee Eng Ho, together with his spouse Datin Seri Toh Siew Chuon and brother Datuk Tee Eng Seng, are shareholders and directors.

The project comprises two 39-storey residential towers with podium parking facilities and commercial spaces, amongst others.

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Tee Eng Tiong

Construction is scheduled to commence on April 1, 2026, with completion expected within 40 months.

Kerjaya Prospek Group said the contract, undertaken on an arm's-length basis and based on normal commercial terms, is expected to contribute to the group's earnings over the next four years.

With 2026 marking the first year of the 13th Malaysia Plan (2026-2030), Kerjaya Prospek Group remains optimistic about the outlook for Malaysia's construction sector.

"The industry continues to be supported by ongoing urbanisation, sustained infrastructure investments and resilient demand for residential developments," the statement noted.

Looking ahead, the group said it will continue to diversify its project mix beyond residential construction into higher-growth segments.

These include data centres and industrial developments.

"We are confident that Kerjaya Prospek Group is well positioned to capture these

opportunities, underpinned by our strong balance sheet, extensive construction expertise and long-standing partnerships with reputable developers," it added.

Kenanga Research, in its recent report on the construction sector, named Kerjaya Prospek Group among its top picks, citing it as its "mid-small-cap pick" with resilient earnings and attractive dividend yields of over 4%.

The research house maintained an "overweight" rating on the sector.

It noted that despite slower-than-expected infrastructure project rollouts, strong demand for data centres and sustained capital expenditure from global tech firms underpin a positive outlook.

Yesterday, Kerjaya Prospek Group's shares closed six sen, or 2.21%, higher at RM2.77, which gives the company a market capitalisation of RM3.51bil.

The stock is up 53 sen, or 23.7%, from RM2.24 a year ago.

Kenanga Research has an "outperform" rating on the stock, with a target price of RM3.05.