

Kerjaya Prospek's Johor win boosts order book to RM4.6bil

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KUALA LUMPUR: Kerjaya Prospek Group Bhd's maiden project win in Johor has pushed its outstanding order book to RM4.6 billion, providing earnings visibility for the next three years.

Kenanga Research is positive on this sixth contract job win for financial year 2025 (FY25), which is Kerjaya Prospek's first non-related party win for the year.

"It has guided a 10 per cent profit after tax margin for this project. This win brings year-to-date contract wins to RM870.3 million, against our FY25 job replenishment assumption of RM1.8 billion.

"This formed 48 per cent of our target and 54 per cent of management's target. Its current total outstanding order book stands at RM4.6 billion, which will keep them busy for the next three years," it said in a note.

Kerjaya Prospek's subsidiary Kerjaya Prospek (M) Sdn Bhd has secured a RM162 million building contract in Johor Baru from Majestic Gen Sdn Bhd.

The contract involves main building works for Gen Rise, a 47-storey transit-oriented serviced apartment development located near customs, immigration and quarantine and the Bukit Chagar rapid transit system.

Additionally, Kerjaya Prospek has set a job replenishment target of RM1.6 billion for FY25, backed by a RM2 billion tender book for building jobs.

In addition, together with its joint venture partner Samsung, the company is tendering for three data centre jobs worth RM3 billion with targeted outcomes by the third quarter of 2025.

"Its related party company E&O plans to launch projects with building jobs worth RM2 billion in 2025. For its property development segment, its 55 per cent-owned Rivanis will sustain its construction and property earnings in the next seven years," it added.

Kenanga Research maintained its 'Outperform' call on the stock with an unchanged target price of RM2.10.