

## ELMINA WEST

# Kerjaya Prospek wins RM256.4m contract from Eastern & Oriental Express

**KUALA LUMPUR:** Kerjaya Prospek Group Bhd has secured a RM256.4 million contract from Eastern & Oriental Express Sdn Bhd (E&OE) to build a 360-unit landed housing development in Elmina West, Shah Alam.

E&OE is an indirect subsidiary of Eastern & Oriental Bhd.

In its filing with Bursa Malaysia, Kerjaya Prospek said its subsidiary, Kerjaya Prospek (M) Sdn Bhd, has received and accepted a letter of award for the project that includes the construction of 360 units of three-storey terrace houses, alongside a clubhouse, landscaping works and other related infrastructure.

“The contract covers three phases of development, comprising six, 179 and 175 units of three-storey terrace houses, respectively. The contract works shall commence on Jan 20 and completed within 26 months.”

The contract was undertaken on an arm’s length basis and based on normal commercial terms.

In a separate statement, Kerjaya chief executive officer and executive director Tee Eng Tiong said with the addition of this project, the company’s total outstanding order book now

 *We look forward to continue delivering exceptional results and maintaining our momentum of growth as we embark on this new financial year.*

### TEE ENG TIONG

Kerjaya Prospek (M) Sdn Bhd  
chief executive officer and executive  
director

stands at about RM4.2 billion, ensuring sustained earnings visibility for the next three years.

“This new project exemplifies our commitment to drive great value for shareholders while solidifying our position as one of the top players in the construction sector.

“We look forward to continue delivering exceptional results and maintaining our momentum of growth as we embark on this new financial year,” he said.

RHB RESEARCH NOTE

# 'OVERWEIGHT' CALL ON CONSTRUCTION

Top picks are Gamuda, Kerjaya Prospek and Sunway Construction Group

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**R**H B Investment Bank Bhd (RHB Research) believes the Malaysian construction stocks' rally still has room to run, supported by continued record-breaking construction spending.

The Works Ministry has indicated that construction spending from both the public and private sectors could reach RM200 billion. In 2024, total project roll-outs amounted to RM199 billion, the highest in eight years.

RHB Research said while the Bursa Malaysia Construction Index was currently trading above the 15 to 16 times price-to-earnings (P/Es) observed during the 2017 construction upcycle, it is not ripe for substantial profit-taking.

Government contract rollouts are likely to strengthen this year,

supported by projects such as Penang Light Rail Transit (LRT), reinstatement of the five LRT 3 stations and Sarawak's Northern Coastal Highway.

RHB Research said water-related infrastructure was another key theme for this year as the Irrigation and Drainage Department had approved 43 high-priority flood mitigation projects worth RM10.5 billion upon reviewing the latest developments.

A budget of RM2.5 billion has also been approved by the cabinet for the National Non-Revenue Water programme to begin from 2025 to 2030.

RHB Research also expects RM19.5 billion in potential jobs for contractors from the data centre infrastructure space.

"With the total value of projects awarded in 2024 at RM199 billion (the highest in eight years), we expect job flow trends to remain robust this year.

"This is mainly premised on



The site of the Penang Light Rail Transit project being prepared at Lebuhraya Pinang last Friday.

BERNAMA PIC

the Works Ministry's projection of construction spending worth RM200 billion in 2025 — with RM88 billion from the government's budget, RM32 billion es-

timated to be from projects by government-linked companies, and the remaining RM80 billion from the private sector," it said in a note.

RHB Research has an "overweight" call on the construction sector and favours Gamuda Bhd, Kerjaya Prospek Bhd and Sunway Construction Group Bhd.