

RM2.67 TARGET PRICE

RHB Research maintains 'buy' rating on Kerjaya Prospek

KUALA LUMPUR: Kerjaya Prospek Group Bhd is expected to achieve a net margin of between nine and 10 per cent for the Fera & Senna landed residential development, which forms part of the Andaman Island development in Penang.

The company recently secured its fifth contract for financial year 2025, valued at RM98 million, from an indirect subsidiary of Eastern & Oriental Bhd (E&O).

RHB Investment Bank Bhd (RHB Research) said that aside from this latest win, about RM1.1 billion in gross development value (GDV) was scheduled for launch in calendar year 2025 to support E&O's RM2 billion launch target for the Andaman Island project.

"As such, the potential construction value from these launches could amount to RM440 million, assuming construction costs are 40 per cent of total GDV," it added.

The research firm said additional dredging and reclamation

work worth over RM300 million was expected to be available for phases 2B and 2C of the Andaman Island project.

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RHB INVESTMENT BANK BHD

"We expect demand for residential properties in Penang to remain resilient, with the National Property Information Centre indicating that the overhang in residential projects in Penang has been easing between 2022 and 2024."

The research firm said that following the latest contract, Kerjaya Prospek's construction order book has reached RM4.4 billion, with total new job wins amounting to RM610 million so far — against its full-year financial year 2025 job replenishment target of RM1.6 billion.

RHB Research has kept its "buy" call on Kerjaya Prospek with a higher target price of RM2.67.