

Kerjaya Prospek bags RM488.4m Pulau Andaman serviced apartment job from E&O unit

PETALING JAYA (June 23): Kerjaya Prospek Group Bhd has accepted a RM488.4 million building contract on Pulau Andaman, Penang, from Persada Mentari Sdn Bhd, an indirect subsidiary of Eastern & Oriental Bhd (E&O) in which several Kerjaya Prospek directors and major shareholders also have interests.

In a filing with Bursa Malaysia today, Kerjaya Prospek said its wholly-owned subsidiary Kerjaya Prospek (M) Sdn Bhd (KPSB) received and accepted a letter of award dated June 23, from Persada Mentari for the execution and completion of a building contract at Seksyen 2, Tanjung Pinang, Pulau Andaman, Daerah Timur Laut, [Penang](#), on a fixed lump-sum basis.

The contract covers two phases of building works under a single award, comprising in total two 46-storey serviced apartment blocks of 540 units each, together with a basement car park, two levels of parking and commercial space with a private parking management office, a five-storey podium car park with facilities, and an additional facility floor.

Kerjaya Prospek said the contract will commence on July 1, and is to be completed within 42 months. It added that the job is in the ordinary course of business of KPSB and is undertaken on an arm's length basis, on normal commercial terms that are not more favourable to the related party than those generally available to the public.

The group said the contract is expected to provide an additional revenue stream over the next three years and will increase and strengthen the group's existing order book.

The group noted that while the contract will not have any effect on its issued share capital, it is expected to contribute positively to the earnings and net assets per share of Kerjaya Prospek for the financial years ending 2026 to 2029, in line with the construction timeline. No profit margin, contribution quantum or year-by-year phasing was disclosed.

Kerjaya Prospek said the contract is regarded as a Recurrent Related Party Transaction (RRPT) of a revenue or trading nature under Bursa Malaysia's Main Market Listing Requirements, and that a shareholders' mandate to enter into such RRPTs was obtained at its annual general meeting on June 12.

On the related-party linkages, the group identified non-independent non-executive chairman Datuk Seri Tee Eng Ho, executive directors Datin Seri Toh Siew Chuon and Datuk Tee Eng Seng, and CEO Tee Eng Tiong as persons connected to the contracting parties via their direct and deemed interests in E&O and its subsidiaries.

Their interests in E&O are held through private companies including Amazing Parade Sdn Bhd, Javawana Sdn Bhd, Kerjaya Prospek Development (M) Sdn Bhd, and Paramount Spring Sdn Bhd, which collectively own 100% of those vehicles.

Kerjaya Prospek said that save for these individuals, none of the other directors, major shareholders or persons connected to them has any direct or indirect interest in the contract.