

Kerjaya Prospek ramps up DC push as larger MEP wins drive growth

PETALING JAYA: Kerjaya Prospek Group Bhd is expanding its presence in data centre (DC) construction as it pursues larger contracts beyond its traditional residential building projects, according to an initiation report by MBSB Research.

The research house forecasts new annual contract wins of RM3.5bil to RM3.7bil from financial year 2026 (FY26) to FY29, compared with RM1.2bil to RM1.8bil in FY22 to FY25.

The stronger contract wins are driven by higher tender conversion and larger average contract sizes, particularly in DC and mechanical, electrical and plumbing

(MEP) works.

The RM858mil MEP fit-out contract in Iskandar Puteri secured in September 2026 is Kerjaya Prospek's largest FY26 win to date, in comparison to other sizeable awards of RM529mil at Taman Duta, RM488mil at Pulau Andaman and RM233mil in Johor.

According to MBSB Research, this win also marks a significant deal from its first RM52.5mil DC related sub-contract secured in July 2026, covering core and shell (C&S) and basic low mechanical and electrical works.

Kerjaya Prospek is now tendering for

other DC projects across both C&S and MEP scopes, with some opportunities potentially two to three times larger than its existing projects.

Kerjaya Prospek has more than three decades of operating experience, with construction as its core business, complemented by property development and manufacturing.

MBSB Research has a "buy" recommendation and a target price of RM3.98 for the company.

MBSB Research added that the valuation was justified by the group's established execution track record, net cash position

and expansion into higher-value DC, MEP, and infrastructure works.

The research firm said that Kerjaya Prospek's expanding external client base reduces its reliance on related-party contracts, while recurring projects from Eastern & Oriental Bhd and Kerjaya Prospek Property Bhd support order book replenishment.

The research firm added that Kerjaya Prospek's dividend payout ratios ranged from 50% to 70% from FY20 to FY25.

This means that the company has exceeded its previous minimum payout policy of 25%.