

## Improved earnings for Kerjaya Prospek over next two years?

By [Faiqah Kamaruddin](#) - July 6, 2023 @ 1:10pm

Rakuten said Kerjaya Prospek Group is expected to launch two new projects in the second half of the current financial year.

KUALA LUMPUR: Kerjaya Prospek Group Bhd can expect improved earnings in financial years 2023 and 2024, buoyed by new property launches and higher revenue recognition, Rakuten Trade said.

Rakuten said Kerjaya Prospek Group is expected to launch two new projects in the second half of the current financial year.

The firm expects Kerjaya Prospek to post net profits of RM139.2 million and RM167.0 million in 2023 and 2024 respectively, primarily attributed to enhanced revenue recognition.

"We expect Kerjaya Prospek to pay a dividend of 8.0 sen and 8.5 sen for FY23 and FY24, translating into yields of 7.3 per cent and 7.7 per cent respectively.

"The company's balance sheet is strong with net cash of RM260.2 million as at 1QFY23," it said.

Rakuten also expects Kerjaya Prospek's labour shortage to be resolved with 1,500 foreign workers coming in 2023, increasing its workforce to about 3,000.

The company plans to expand the number by adding 1,000 more workers, resulting in a total workforce of 4,000.

In 2002, Kerjaya Prospek entered into a framework agreement with Samsung C&T (KL) Sdn Bhd, a subsidiary of Samsung C&T Corporation to pursue construction contracts worth over RM300 million.

In October 2022, the Samsung-Kerjaya Prospek joint venture was awarded a RM1.45 billion contract by Texas Instruments Electronics Malaysia Sdn Bhd to build a factory in Melaka Free Trade Zone.

According to Rakuten, the company has obtained new projects valued at over RM937.8 million so far this year. This results in a total orderbook of RM4.7 billion, which will ensure earnings stability for the next two to three years.

Rakuten recommended a "Buy" on Kerjaya Prospek with RM1.76 target price.