

Kerjaya Prospek gets RM33.2 mil piling job for Andaman Island apartment project

By Izzul Ikram / theedgemaalaysia.com

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KUALA LUMPUR (April 1): Construction outfit Kerjaya Prospek Group Bhd has secured a RM33.19 million piling and earthworks job for a proposed service apartment in Pulau Andaman, Penang from a related party.

According to a bourse filing on Monday, Kerjaya Prospek received the contract from Persada Mentari Sdn Bhd, a 70.4%- owned unit of property developer Eastern & Oriental Bhd (E&O).

The contract will begin on June 17, 2024, and is expected to be completed within 12 months from the start date, Kerjaya Prospek said.

The job is deemed a recurrent related party transaction given that Datuk Tee Eng Ho, Kerjaya Prospek's non-independent non-executive chairman and major shareholder, is also E&O's executive chairman and major shareholder of E&O.

Tee controls a 70.02% stake in Kerjaya Prospek and a 51.14% stake in E&O. His brother, Tee Eng Seng is also an executive director and major shareholder of both groups.

Kerjaya Prospek noted that the acceptance of the contract is in its ordinary course of business and was undertaken at an arm's length basis, "based on normal commercial terms which are not more favourable than those generally available to the public".

"In addition, the contract is expected to provide an additional stream of revenue for the group over the next one year," it added.

At the noon break, shares in Kerjaya Prospek stood unchanged at RM1.79, giving the group a market capitalisation of RM2.27 billion.

Meanwhile, E&O shares were up six sen or 5.71% at RM1.11, valuing the group at RM2.24 billion.

Edited By Jason Ng