

## Kerjaya expands landbank in KL and Penang, forms JV with Aspen

**KUCHING:** Kerjaya Prospek Group Bhd is boosting its property development division with the acquisition of new land parcels in Kuala Lumpur and Penang, as well as a new joint venture with Aspen Group.

The group yesterday announced three separate land deals involving five parcels of freehold land, including three parcels along Jalan Puchong, Kuala Lumpur, and two in Tanjung Bungah, Penang.

In Kuala Lumpur, the group is acquiring two parcels totalling 3.52 acres from Top Up Properties Sdn Bhd for RM53.7 million, and an adjoining 3.87-acre parcel from Sunrise Bright City Sdn Bhd for RM59.1 million.

The parcels are located near its existing Bloomsvale mixed development and are expected to be fully acquired by Sept 2025.

The Penang land deals involves the group forming a 60:40 joint venture with Aspen Vision Tanjung to acquire and develop two parcels of freehold land totalling 4.51 acres for RM117 million with completion targeted by Dec 2025.

Analysts at Kenanga Investment Bank Bhd (Kenanga Research) estimated both the Kuala Lumpur and Penang projects to have a gross development value (GDV) of around RM1 billion each, assuming a land cost-to-GDV ratio of 10 per cent.

The house also views the

parcels as reasonably priced.

"The Kuala Lumpur land parcels average RM15.2 million per acre, which is lower than the RM16.4 million per acre for the Bloomsvale site bought in 2015.

"The Penang land is relatively high at RM596 per square foot compared to typical bungalow lot prices of RM500 per square foot, but the valuation is fair given the larger parcel size and its prime location," it said in a note on Wednesday.

The two projects are expected to contribute about RM0.13 to Kerjaya's realised net asset value (RNAV) per share.

While the projects are likely to support Kerjaya's construction order book and

property earnings in the long term, the house warned that future capital commitments could limit dividend pay-out growth.

"While these ventures broaden its earnings potential, we maintain a broadly neutral view on these property development projects due to the potential impact of future capital commitment on its ability to raise dividend pay-out," it added.

The house has maintained its job win assumptions at RM1.8 billion for both FY25 and FY26 as the new developments fall outside its forecast horizon.

It also reiterated its 'Outperform' rating on the group with an unchanged target price of RM2.30.