

Kerjaya Prospek gains momentum amid stable costs, strong order book

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"Malaysia's construction sector is seeing renewed momentum, driven by stronger private property launches, rising industrial and semiconductor investments, and ongoing government infrastructure programmes.

"Kerjaya Prospek's strengths in high-rise, coastal/marine, and premium private-sector projects place it in segments with firm demand and healthier margins. Its solid balance sheet and prudent cost structure further enhance resilience against sector volatility," Rakuten Trade said.

As at end-November 2025, Kerjaya Prospek had secured about RM1.5 billion in new contracts, boosting its outstanding order book to RM4.1 billion, one of the largest among private-sector builders. With stronger construction progress, better labour availability and stabilised input costs, Rakuten Trade projects net earnings of RM218.5 million for the financial year 2025 (FY25) and RM241.4 million for FY26.

"We reiterate our BUY call with a target price of RM3.06, premised on 16 times FY26 earnings per share," it said.

Rakuten Trade said Kerjaya Prospek continues to demonstrate strong operational momentum with RM1.56 billion in contract wins year-to-date and 40 projects currently in progress.

Its BUY recommendation is anchored on several factors: the company's innovative construction techniques and disciplined cost control that consistently deliver superior margins; an experienced, hands-on management team with a solid execution track record; and a consistent ability to replenish contracts.

It added that the company's sizeable RM4.1 billion order book provides exceptional near-term earnings visibility, while its net cash position and attractive dividend yields of 4–5 per cent strengthen its appeal to investors seeking both growth and income.

According to the research firm, Kerjaya Prospek is progressing on several strategic growth fronts. The company continues to secure high-margin projects, particularly from long-standing clients such as Eastern & Oriental Bhd (E&O) and Persada Mentari, reflecting its reputation for reliable delivery in the premium property segment. At the same time, its joint venture with Samsung C&T marks a deeper push into higher-specification industrial construction, positioning the company to capture opportunities in factory development and the fast-expanding data centre segment.

To underpin future earnings, Kerjaya Prospek has also been actively strengthening its landbank. The company now holds 36 hectares across Jalan Puchong, Tanjung Bungah and Seberang Perai, which will support a pipeline of in-house development projects and diversify earnings beyond construction.

Its 49 per cent stake in Aspen Vision Land offers dual benefits: consistent construction mandates and long-term participation in the growth trajectory of Aspen Vision City in Batu Kawan, one of Penang's emerging growth corridors. Additionally, the formation of Rivanis Ventures opens doors to large-scale affordable housing and township developments—an area expected to see sustained demand under government-backed initiatives.