

Kerjaya Prospek unit inks RM157m Prai mixed-development deal with Railway Assets Corp



KERJAYA Prospek Group Bhd said its 55%-owned subsidiary Rivanis Ventures Sdn Bhd has entered into a development agreement with Perbadanan Aset Keretapi (Railway Assets Corporation, RAC) for the proposed acquisition and mixed-use development of about 34.84 acres of land in Prai, Penang, with a total estimated consideration of RM156.49 million.

In a Bursa Malaysia filing today, the group said the project involves a phased development over approximately seven years comprising at least 338 units of affordable housing under Penang's Rumah Mampu Milik (RMM C3) scheme, relocation of existing occupiers, and additional residential and commercial components.

Under the agreement, RAC will receive RM54.1 million in cash payments in stages, alongside the delivery of the 338 affordable housing units valued at about RM102.39 million.

Additional payments may apply if the project's plot ratio exceeds 1:4.

In return, Rivanis Ventures will have rights to all remaining developed units (excluding the affordable housing units) and a first right of refusal over adjacent land of about 19.55 acres if it becomes available for development.

Kerjaya Prospek and Aspen Vision Development will jointly provide corporate guarantees for the obligations under the agreement.

The project is subject to several conditions precedent, including planning approvals, zoning conversion, and shareholder approvals of the joint venture partners, to be fulfilled within 12 months.

The group said the development is expected to be funded via shareholder contributions and external borrowings, and is not expected to have a material impact on earnings or net assets for the financial year ending Dec 31, 2026.

Kerjaya Prospek said the Prai project is strategically located within the Northern Corridor Economic Region and is expected to benefit from improving connectivity infrastructure, including proximity to Penang Sentral and the upcoming LRT line.

The group added that the proposal is expected to contribute positively to long-term earnings and reflects its focus on sustainable, community-centric property development. — **TMR**