

Kerjaya Prospek Property books flat 3Q on lower margins

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Kerjaya Prospek Property Bhd's net profit for the third quarter ended Dec 31, 2023 (3QFY2024) rose 1.65% to RM23.91 million from RM23.53 million a year ago. Revenue for the quarter climbed 21.41% to RM99.32 million versus RM81.81 million previously, underpinned by higher progressive recognition of its Bloomsvale project at Old Klang Road, Kuala Lumpur.

KUALA LUMPUR (Feb 23): Kerjaya Prospek Property Bhd's net profit for the third quarter ended Dec 31, 2023 (3QFY2024) rose a marginal 1.65% to RM23.91 million from RM23.53 million a year ago, as higher costs compressed its margins.

According to the property developer's filing, quarterly revenue climbed 21.41% to RM99.32 million versus RM81.81 million previously, underpinned by higher progressive recognition of its Bloomsvale project at Old Klang Road, Kuala Lumpur.

On the other hand, the company's cost of sales swelled 32.73% to RM65.16 million as compared with RM49.1 million previously.

Besides the property development segment which is the company's primary revenue contributor, its hospitality segment recorded a 20.32% lower pre-tax profit of RM4.7 million versus RM5.9 million a year ago, on higher costs due to hotel repair and maintenance works, and increased staff costs.

Likewise, for the nine months ended Dec 31, 2023 (9MFY2024), Kerjaya Prospek Property's net profit was flat with an 1.08% increase to RM68.5 million from RM67.77 million a year ago, despite a 10.3% rise in revenue to RM283.02 million from RM256.57 million, as margins were burdened by higher costs.

Premised on its performance thus far, Kerjaya Prospek Property said the company is cautiously optimistic the completion of Bloomsvale will help it conclude FY2024 on a positive note.

"This development augurs great prospects for the company to continue boosting its recurring earnings visibility and overall financial performance," the company said.

"Going forward this year, we are well-prepared to launch our latest project in Sentul and Shah Alam, with a total gross development value of RM395 million as we are of the opinion that the property segment remains optimistic," it added.

Shares in Kerjaya Prospek Property ended one sen or 1.31% lower at 75.5 sen, valuing the property development and hospitality firm at RM407.81 million.

Edited By Adam Aziz

