

Tan Wai Wern

(603) 7890 8888 (ext 2092)

[waiwern.tan@apexsecurities.com.my](mailto:waiwern.tan@apexsecurities.com.my)

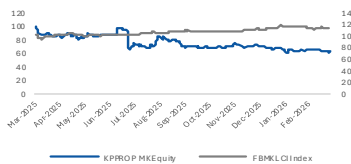
| Recommendation:          | BUY  |
|--------------------------|--|
| Current Price:           | RM 0.29                                      |
| Previous Target Price:   | RM 0.39                                      |
| Target Price:            | RM 0.40 <span style="color: green;">↑</span> |
| Capital Upside/Downside: | 37.9%  |
| Dividend Yield (%):      | 3.9%   |
| Total Upside/Downside:   | 41.8%  |

**Stock information**

|                          |                |
|--------------------------|----------------|
| Board                    | MAIN           |
| Sector                   | Property       |
| Bursa / Bloomberg Code   | 7077/KPPROP.MK |
| Syariah Compliant        | Yes            |
| ESG Rating               | ★★★            |
| Shares issued (m)        | 1077.4         |
| Market Cap (RM' m)       | 235.5          |
| 52-Week Price Range (RM) | 0.27-0.404     |
| Beta (x)                 | 1.4            |
| Free float (%)           | 22.1           |
| 3M Average Volume (m)    | 0.1            |
| 3M Average Value (RM' m) | 0.0            |

**Top 3 Shareholders**

|                                | (%)  |
|--------------------------------|------|
| Jawawana Sdn Bhd               | 73.7 |
| Employees Provident Fund Board | 0.8  |
| Ang Swee Kuang                 | 0.7  |

**Share Price Performance**

|              | 1M   | 3M    | 12M   |
|--------------|------|-------|-------|
| Absolute (%) | -5.0 | -12.3 | -24.9 |
| Relative (%) | -3.3 | -11.4 | -32.7 |

**Earnings summary**

| FYE Mar (RM m)   | FY26  | FY27F | FY28F |
|------------------|-------|-------|-------|
| Revenue (RM'm)   | 184.7 | 356.4 | 584.2 |
| PATAMI (RM'm)    | 11.3  | 34.3  | 51.3  |
| CNP (RM'm)       | 11.3  | 34.3  | 51.3  |
| EPS - core (sen) | 1.0   | 3.2   | 4.8   |
| P/E(x)           | 27.2  | 9.0   | 6.0   |

# Kerjaya Prospek Property Bhd

## Results Above Expectations as Property Segment Post Profits

- KPPROP reported a 4QFY26 core net profit (CNP) of RM3.6m (-8.4% YoY; +16.1% QoQ). This brings FY26 CNP to RM11.3m, which accounts for 116.8% of our estimates and significantly exceeded expectations.
- We expect the Group's performance to remain resilient, supported by its robust unbilled sales of RM100m, sizable undeveloped landbank of 61 acres and inventory valued at RM362.4m.
- We raise our FY27F/FY28F earnings forecasts by +3.4%/+2.3% after imputing higher margin assumptions for the Hospitality and Retail & Leasing segments, with lower finance costs.
- Maintain a BUY recommendation with increased target price of RM0.40 (from RM0.39), derived from SOP valuation while incorporating a three-star ESG rating.

**Results above expectations.** KPPROP reported a 4QFY26 core net profit (CNP) of RM3.6m (-8.4% YoY; +16.1% QoQ). This brings FY26 CNP to RM11.3m, which accounts for 116.8% of our estimates and significantly exceeded expectations. The outperformance was primarily driven by a stronger-than-expected turnaround in the Property segment, which recorded a Profit Before Tax (PBT) to RM2.0m compared with a Loss Before Tax (LBT) of RM3.7m in the preceding quarter. The improvement was mainly attributable to lower finance costs following the capitalisation of borrowing costs, resulting in a RM0.4m reversal versus a RM4.1m finance expense.

**YTD.** FY26 CNP increased +56.0%, driven by stronger contributions from the Hospitality and Retail & Leasing segments. The Hospitality segment's PBT rose to RM14.0m (+95.4%), supported by improved performance at Courtyard by Marriott Kuala Lumpur South, while the Retail & Leasing segment's PBT climbed to RM4.4m (+273.5%) on contributions from Bloomsvale Shopping Gallery and Bloomsvale Office Tower. Earnings were further supported by lower finance costs following the capitalisation exercise. Segmental margins also improved, with Hospitality margin expanding by 491bps to 15.4% and Retail & Leasing margin rising by 1,185bps to 20.6%.

**QoQ.** Despite a -21.6% decline in revenue to RM42.1m, CNP rose +16.1%, mainly due to lower finance cost. However, earnings growth was partially offset by weaker contributions from the Hospitality segment, whose PBT fell -71.0% to RM1.6m amid softer banquet and event activities, coupled with cautious consumer spending and moderating domestic travel demand.

**Outlook.** We remain positive on KPPROP's outlook, supported by its robust pipeline of upcoming launches, ongoing construction progress and healthy sales visibility. The Group's unbilled sales remain healthy at an estimated RM100m and are expected to be progressively recognised through FY29. In addition, the Group maintains a sizeable undeveloped landbank of 61 acres (89.9%-Klang Valley, 8.0%-Penang, 2.1%-Melaka), providing a solid foundation for long-term developments. Earnings visibility is further underpinned by an inventory valued at RM362.4m, comprising 36.6% completed unsold units and 63.4% properties under construction. Looking ahead, we anticipate the Group to launch its Batu Kawan project in FY27, with an estimated GDV of RM720m, which should reinforce its strategic focus on the core property development segment.

**Earnings Revision.** Supported by the resilient performance of the Group's Hospitality and Retail & Leasing segments, we have slightly raised our PBT margin assumptions for both divisions. We also take the opportunity to revise downward our finance cost assumptions. Consequently, we raise our FY27F/FY28F earnings forecasts by +3.4% and +2.3%, respectively.

**Valuation.** We maintain our **BUY** recommendation with an increased TP of **RM0.40** (from RM0.39), derived from Sum-of-Parts (SOP) valuation and support by a three-star ESG rating.

**Risk.** Failure to monetise non-core assets, exposure to the cyclical nature of the property sector and rising construction costs.

## Results Comparison

| FYE Mar (RM m)             | 4QFY26 | 4QFY25 | yoy (%) | 3QFY26 | qoq (%) | 12MFY26 | 12MFY25 | yoy (%) |
|----------------------------|--------|--------|---------|--------|---------|---------|---------|---------|
| Revenue                    | 42.1   | 56.8   | (25.9)  | 53.7   | (21.6)  | 184.7   | 196.5   | (6.0)   |
| EBITDA                     | 7.2    | 2.3    | 211.1   | 10.8   | (33.8)  | 37.8    | 28.8    | 31.0    |
| Pre-tax profit             | 5.6    | (4.9)  | nm      | 4.3    | 28.4    | 16.2    | 15.4    | 5.3     |
| Net profit                 | 3.6    | (8.4)  | nm      | 3.1    | 16.1    | 11.3    | 7.2     | 56.0    |
| Core net profit            | 3.6    | (8.4)  | nm      | 3.1    | 16.1    | 11.3    | 7.2     | 56.0    |
| Core EPS (sen)             | 0.3    | (0.8)  | nm      | 0.3    | 16.1    | 1.0     | 0.7     | 56.0    |
| EBITDA margin (%)          | 17.0   | 4.1    |         | 20.2   |         | 20.5    | 14.7    |         |
| PBT margin (%)             | 13.2   | (8.6)  |         | 8.0    |         | 8.8     | 7.8     |         |
| Core net profit margin (%) | 8.7    | (14.8) |         | 5.8    |         | 6.1     | 3.7     |         |

Source: Company, Apex Securities

## Segmental Breakdown

| FYE Mar (RM m)                 | 4QFY26       | 4QFY25       | yoy (%)       | 3QFY26      | qoq (%)       | 12MFY26      | 12MFY25      | yoy (%)       |
|--------------------------------|--------------|--------------|---------------|-------------|---------------|--------------|--------------|---------------|
| <b>Revenue</b>                 |              |              |               |             |               |              |              |               |
| Property Development           | 14.5         | 32.1         | (54.7)        | 20.6        | (29.4)        | 65.8         | 107.7        | (38.9)        |
| Hospitality                    | 20.5         | 18.4         | 11.1          | 26.0        | (21.3)        | 91.2         | 68.6         | 33.0          |
| Retail and Leasing             | 5.6          | 4.7          | 19.2          | 5.7         | (1.6)         | 21.3         | 13.4         | 59.1          |
| Others                         | 1.5          | 1.7          | (8.6)         | 1.4         | 5.8           | 6.3          | 6.8          | (6.0)         |
| <b>Total</b>                   | <b>42.1</b>  | <b>56.8</b>  | <b>(25.9)</b> | <b>53.7</b> | <b>(21.6)</b> | <b>184.7</b> | <b>196.5</b> | <b>(6.0)</b>  |
| <b>Profit before tax (PBT)</b> |              |              |               |             |               |              |              |               |
| Property Development           | 2.0          | (3.8)        | nm            | (3.7)       | nm            | (3.7)        | 11.5         | nm            |
| Hospitality                    | 1.6          | 1.3          | 28.7          | 5.6         | (71.0)        | 14.0         | 7.2          | 95.4          |
| Retail and Leasing             | 0.9          | 0.5          | 98.3          | 1.8         | (48.2)        | 4.4          | 1.2          | 273.5         |
| Others                         | 1.0          | (2.8)        | nm            | 0.7         | 52.2          | 1.5          | (4.4)        | nm            |
| <b>Total</b>                   | <b>4.5</b>   | <b>(2.1)</b> | <b>nm</b>     | <b>3.7</b>  | <b>24.0</b>   | <b>14.7</b>  | <b>19.8</b>  | <b>(25.8)</b> |
| <b>PBT margin (%)</b>          |              |              |               |             |               |              |              |               |
| Property Development           | 13.6%        | -11.8%       |               | -18.1%      |               | -5.7%        | 10.6%        | -16.30%       |
| Hospitality                    | 7.9%         | 6.8%         |               | 21.4%       |               | 15.4%        | 10.5%        | 4.91%         |
| Retail and Leasing             | 16.9%        | 10.1%        |               | 32.0%       |               | 20.6%        | 8.8%         | 11.85%        |
| Others                         | 67.6%        | -172.2%      |               | 47.0%       |               | 24.1%        | -65.1%       | 89.15%        |
| <b>Aggregate Total</b>         | <b>10.8%</b> | <b>-3.6%</b> |               | <b>6.8%</b> |               | <b>8.0%</b>  | <b>10.1%</b> | <b>-2.12%</b> |

Source: Company, Apex Securities

# Results Note

Thursday, 28 May, 2026

**BURSA RISE+**  
Brought to you by Bursa Malaysia  
Supported by Capital Market Development Fund



## Financial Highlights

### Income Statement

| FYE Mar (RM m)              | FY24         | FY25         | FY26         | FY27F        | FY28F        |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenue</b>              | <b>337.1</b> | <b>196.5</b> | <b>184.7</b> | <b>356.4</b> | <b>584.2</b> |
| <b>Gross Profit</b>         | <b>147.3</b> | <b>65.6</b>  | <b>83.2</b>  | <b>98.2</b>  | <b>147.6</b> |
| <b>EBITDA</b>               | <b>125.3</b> | <b>35.3</b>  | <b>46.6</b>  | <b>67.7</b>  | <b>97.5</b>  |
| Depreciation & Amortisation | 4.4          | 12.5         | 15.1         | 10.4         | 17.1         |
| <b>EBIT</b>                 | <b>120.9</b> | <b>22.9</b>  | <b>31.4</b>  | <b>57.2</b>  | <b>80.4</b>  |
| Net Finance Income/(Cost)   | 2.1          | -1.0         | -6.4         | -5.3         | -5.9         |
| Associates & JV             | 0.0          | -0.1         | -0.1         | 0.0          | 0.0          |
| Other Income/(Cost)         | -2.5         | -6.4         | -8.8         | -6.4         | -6.4         |
| <b>Pre-tax Profit</b>       | <b>120.4</b> | <b>15.4</b>  | <b>16.2</b>  | <b>45.5</b>  | <b>68.1</b>  |
| Tax                         | -27.2        | -8.1         | -4.9         | -10.9        | -16.3        |
| <b>Profit After Tax</b>     | <b>93.2</b>  | <b>7.3</b>   | <b>11.3</b>  | <b>34.6</b>  | <b>51.8</b>  |
| Minority Interest           | 0.0          | -0.1         | 0.0          | -0.3         | -0.5         |
| <b>Net Profit</b>           | <b>93.1</b>  | <b>7.2</b>   | <b>11.3</b>  | <b>34.3</b>  | <b>51.3</b>  |
| Exceptionals                | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Core Net Profit</b>      | <b>93.1</b>  | <b>7.2</b>   | <b>11.3</b>  | <b>34.3</b>  | <b>51.3</b>  |

### Key Ratios

| FYE Mar (RM m)     | FY24  | FY25   | FY26  | FY27F  | FY28F  |
|--------------------|-------|--------|-------|--------|--------|
| EPS (sen)          | 8.6   | 0.7    | 1.0   | 3.2    | 4.8    |
| P/E (x)            | 3.3   | 42.4   | 27.2  | 9.0    | 6.0    |
| P/B (x)            | 0.4   | 0.7    | 0.5   | 0.8    | 0.9    |
| EVEBITDA (x)       | 3.5   | 21.0   | 13.8  | 11.8   | 8.5    |
| DPS (sen)          | 3.0   | 1.0    | 0.3   | 1.1    | 1.7    |
| Dividend Yield (%) | 10.5% | 3.5%   | 1.2%  | 3.9%   | 5.8%   |
| EBITDA margin (%)  | 37.2% | 18.0%  | 25.2% | 19.0%  | 16.7%  |
| EBIT margin (%)    | 35.9% | 11.6%  | 17.0% | 16.1%  | 13.8%  |
| PBT margin (%)     | 35.7% | 7.8%   | 8.8%  | 12.8%  | 11.7%  |
| PAT margin (%)     | 27.6% | 3.7%   | 6.1%  | 9.7%   | 8.9%   |
| NP margin (%)      | 27.6% | 3.7%   | 6.1%  | 9.6%   | 8.8%   |
| CNP margin (%)     | 27.6% | 3.7%   | 6.1%  | 9.6%   | 8.8%   |
| ROE (%)            | 13.1% | 1.8%   | 2.0%  | 9.2%   | 14.4%  |
| ROA (%)            | 8.5%  | 0.7%   | 0.8%  | 2.6%   | 3.4%   |
| Gearing (%)        | 31.4% | 119.2% | 91.1% | 158.5% | 175.6% |
| Net gearing (%)    | 18.6% | 105.6% | 56.5% | 131.6% | 147.5% |

| FYE Mar (RM m)                 | FY24 | FY25 | FY26  | FY27F | FY28F |
|--------------------------------|------|------|-------|-------|-------|
| Expected property launches GDV |      |      | 500.0 | 720.0 | 500.0 |

| Valuations                     | Valuation Method     | Equity Value (RM' m) |
|--------------------------------|----------------------|----------------------|
| Property Development           | 50% Discount to RNAV | 277.8                |
| Others                         | 8.6x FY27F PER       | 149.8                |
| SOP Value                      |                      | 427.6                |
| Number of shares               |                      | 1,077.4              |
| <b>Fair Value (RM)</b>         |                      | <b>0.40</b>          |
| ESG premium/discount           |                      | 0.0%                 |
| <b>Implied Fair Value (RM)</b> |                      | <b>0.40</b>          |

Source: Company, Apex Securities

### Balance Sheet

| FYE Mar (RM m)                       | FY24         | FY25         | FY26         | FY27F        | FY28F        |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash                                 | 90.7         | 56.2         | 196.3        | 100.0        | 100.0        |
| Receivables                          | 42.2         | 49.2         | 34.1         | 89.1         | 116.8        |
| Inventories                          | 214.7        | 350.2        | 353.4        | 451.8        | 545.8        |
| Other current assets                 | 43.3         | 6.6          | 35.0         | 6.6          | 6.6          |
| <b>Total Current Assets</b>          | <b>390.9</b> | <b>462.2</b> | <b>618.7</b> | <b>647.6</b> | <b>769.3</b> |
| Fixed Assets                         | 707.5        | 625.3        | 708.2        | 688.7        | 722.6        |
| Intangibles                          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Other non-current assets             | 0.0          | 1.9          | 5.3          | 1.9          | 1.9          |
| <b>Total Non-Current Assets</b>      | <b>707.5</b> | <b>627.2</b> | <b>713.5</b> | <b>690.5</b> | <b>724.4</b> |
| Short-term debt                      | 40.0         | 22.2         | 72.2         | 22.2         | 22.2         |
| Payables                             | 127.4        | 150.9        | 145.1        | 322.7        | 436.6        |
| Other current liabilities            | 11.0         | 2.4          | 22.9         | 23.2         | 46.4         |
| <b>Total Current Liabilities</b>     | <b>178.4</b> | <b>175.5</b> | <b>240.2</b> | <b>368.1</b> | <b>505.2</b> |
| Long-term debt                       | 182.7        | 470.6        | 444.6        | 568.3        | 603.1        |
| Other non-current liabilities        | 28.8         | 30.0         | 80.2         | 29.1         | 29.1         |
| <b>Total Non-Current Liabilities</b> | <b>211.6</b> | <b>500.5</b> | <b>524.8</b> | <b>597.4</b> | <b>632.3</b> |
| Shareholder's equity                 | 708.2        | 413.1        | 552.4        | 372.3        | 355.9        |
| Minority interest                    | 0.2          | 0.3          | 14.8         | 0.3          | 0.3          |
| <b>Total Equity</b>                  | <b>708.4</b> | <b>413.4</b> | <b>567.2</b> | <b>372.6</b> | <b>356.2</b> |

### Cash Flow

| FYE Mar (RM m)              | FY24         | FY25         | FY26         | FY27F        | FY28F        |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Pre-tax profit</b>       | <b>120.4</b> | <b>15.4</b>  | <b>16.2</b>  | <b>45.5</b>  | <b>68.1</b>  |
| Depreciation & amortisation | 4.4          | 12.5         | 15.1         | 10.4         | 17.1         |
| Changes in working capital  | -60.1        | 52.6         | 39.1         | -9.1         | 15.4         |
| Others                      | -25.3        | -18.8        | -22.2        | -28.2        | -46.4        |
| <b>Operating cash flow</b>  | <b>39.3</b>  | <b>61.7</b>  | <b>48.3</b>  | <b>18.7</b>  | <b>54.2</b>  |
| Net capex                   | -90.8        | -25.4        | -78.9        | -45.4        | -51.0        |
| Others                      | -6.5         | -37.0        | 0.0          | -20.0        | -20.0        |
| <b>Investing cash flow</b>  | <b>-97.3</b> | <b>-62.4</b> | <b>-78.9</b> | <b>-65.4</b> | <b>-71.0</b> |
| Dividends paid              | -12.4        | -10.6        | 0.0          | -12.0        | -17.9        |
| Others                      | 3.2          | -23.2        | 170.8        | 58.7         | 34.7         |
| <b>Financing cash flow</b>  | <b>-9.3</b>  | <b>-33.7</b> | <b>170.8</b> | <b>46.7</b>  | <b>16.8</b>  |
| <b>Net cash flow</b>        | <b>-67.2</b> | <b>-34.5</b> | <b>140.1</b> | <b>0.0</b>   | <b>0.0</b>   |
| Forex                       | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Others                      | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Beginning cash              | 30.4         | 90.7         | 56.2         | 100.0        | 100.0        |
| <b>Ending cash</b>          | <b>-36.8</b> | <b>56.2</b>  | <b>196.3</b> | <b>100.0</b> | <b>100.0</b> |

## ESG Matrix Framework:

### Environment

| Parameters       | Rating | Comments   |
|------------------|--------|--|
| Waste & Effluent | ★★★    | Monitors scope 1 and scope 2 emissions   |
| Energy           | ★★★    | Energy consumption reduced from 36 MWh to 14 MWh in its Property Development segment |
| Compliance       | ★★★    | In compliance with local and international environmental regulations                 |

### Social

|                  |     |   |
|------------------|-----|---|
| Diversity        | ★★★ | 44% of employees are female. Employees also comprise of all major ethnicity group in Malaysia |
| Human Rights     | ★★★ | Enforce and adopts Code of Ethics and Conduct   |
| Labour Practices | ★★★ | Maintains a zero-tolerance policy towards all forms of sexual harassment                      |

### Governance

|                       |     |  |
|-----------------------|-----|--|
| Integrity             | ★★★ | Adheres to all applicable regulatory requirements and applicable practices of the MCGG |
| Anti-Corruption       | ★★  | All employees undergo anti-corruption training   |
| Whistleblowing Policy | ★★★ | 0 confirmed incidents of corruption  |

Overall ESG Scoring: ★★★

### Recommendation Framework:

**BUY:** Total returns\* are expected to exceed 10% within the next 12 months.

**HOLD:** Total returns\* are expected to be within +10% to -10% within the next 12 months.

**SELL:** Total returns\* are expected to be below -10% within the next 12 months.

**TRADING BUY:** Total returns\* are expected to exceed 10% within the next 3 months.

**TRADING SELL:** Total returns\* are expected to be below -10% within the next 3 months.

\*Capital gain + dividend yield

### Sector Recommendations:

**OVERWEIGHT:** The industry defined by the analyst is expected to exceed 10% within the next 12 months.

**NEUTRAL:** The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

**UNDERWEIGHT:** The industry defined by the analyst, is expected to be below -10% within the next 12 months.

### ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

**Disclaimer:** The report is for internal and private circulation only and shall not be reproduced either in part or otherwise without the prior written consent of Apex Securities Berhad. The opinions and information contained herein are based on available data believed to be reliable. It is not to be construed as an offer, invitation or solicitation to buy or sell the securities covered by this report. Opinions, estimates and projections in this report constitute the current judgment of the author. They do not necessarily reflect the opinion of Apex Securities Berhad and are subject to change without notice. Apex Securities Berhad has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Apex Securities Berhad does not warrant the accuracy of anything stated herein in any manner whatsoever and no reliance upon such statement by anyone shall give rise to any claim whatsoever against Apex Securities Berhad. Apex Securities Berhad may from time to time have an interest in the company mentioned by this report. This report may not be reproduced, copied or circulated without the prior written approval of Apex Securities Berhad.

This report has been prepared by Apex Securities Berhad pursuant to the Research Incentive Program under Bursa Research Incentive Scheme Plus ("Bursa RISE+") administered by Bursa Malaysia Berhad. This report has been produced independent of any influence from Bursa Malaysia Berhad or the subject company. Bursa Malaysia Berhad and its group of companies disclaims any and all liability, howsoever arising, out of or in relation to the administration of Bursa Research Incentive Program and/or this report.

As of **Thursday, 28 May, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.