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## Sentoria sees good return from Bukit Gambang projects

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PUTRAJAYA: Soon to be listed property developer Sentoria Group Bhd expects at least 30% return on its RM92 million investment in the Arabian Bay Resort, which forms part of its Bukit Gambang Resort City's (BGRC) second phase development near Kuantan, according to the group's joint managing director Datuk Gan Kim Leong.

The development of the second phase of BGRC, costing a total of RM140 million, will be facilitated by a RM6.9 million grant given by the government through its Public-Private Partnership Unit (PPPU) of which the agreement was signed by both parties yesterday. Other than the Arabian Bay Resort, the second phase development plan will include the Bukit Gambang Safari Park, which costs about RM48 million, according to Gan.

"On the investment return, there are two ways to look at it. One is for the Arabian Bay Resort where we expect to get a return of around 30%, based on the development cost. The other one is based on the entrance fee to the Safari Park, of which we project to receive about RM18 million a year in terms of revenue," said Sentoria's finance controller Thean Yin Peng.

The Arabian Bay Resort consists of studio and family suites built on the site of the BGRC. Sentoria will sell the units to interested investors and lease it back from them, and later rent it out to the

visiting customers who stay at the resort city.

On the RM6.9 million grant from the government, it will be channelled through Bank Pembangunan Malaysia Bhd, and will be utilised for access roads and utility-based infrastructure works. The grant is part of the facilitating fund provided by the government under the 10th Malaysia Plan, which is aimed to encourage private investments in the country.

BGRC, which sits on a 547-acre (221.4ha) site, was first developed

in 2007, and since then 20% of its total development plan has been completed, according to Gan. Other than BGRC, Sentoria is also developing a budget hotel in Kuantan, as well as residential developments in Bandar Indera Mahkota, Kuantan, in Pajam, Negri Sembilan as well as Salak Tinggi in Selangor.

"BGRC is our flagship development. Once it is fully completed in 2018, it will be one of the largest resort cities in Malaysia," said Gan. He said almost 90% of the Arabian Bay Resort's units has been sold,

while the Caribbean Bay Resort, which was developed earlier, has been fully sold.

Sentoria recently launched the prospectus for its planned IPO on the Main Market. It is expected to raise RM51.6 million from the IPO, of which RM27.7 million would be allocated for working capital, RM11.2 million for repayment of bank borrowings, RM9 million for purchase of property, plant and equipment and the balance RM3.7 million to defray listing expenses.

— By Kamarul Azhar



(From left) Bank Pembangunan CEO Jamaluddin Nor Mohamad, PPPU director-general Datuk Seri Dr Ali Hamsa, and Sentoria joint managing directors Datuk Jimmy Chan and Gan at the signing ceremony in Putrajaya.