

MEDIA CLIPPING

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Sentoria banking on recurring income

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KUALA LUMPUR: Little known construction and property development company, Sentoria Group Bhd, is growing its leisure and hospitality business to cultivate recurring income.

Sentoria, which has been churning out impressive profits over the years, is developing Bukit Gambang Resort City (BGRC) in Gambang, Pahang.

As a bold step in realising its long-term objective, the property developer is looking at a GDV of RM1.8 billion for the project which will take up to 2020 for completion.

BGRC will be one of the largest more recent integrated resort cities in Malaysia when fully completed. Covering 727 acres (290.8ha), it is smaller than Genting Resort City (11,000 acres) and Mines Resort City (1,300 acres).

The development by Sentoria will have multiple attractions in a single location to be completed in phases. The resort city features four theme parks, the main highlights of the BRCG development.

Apart from theme parks, Sentoria has been developing its fine resort living housing area within BGRC. The housing area, called Global Heritage, is expected to be completed



A view of the Aqua Play mini theme park.

in 2016 to 2017, with an estimated GDV of RM355 million.

The 117-acre gated housing area consists of 11 different themed housing facades, along with a boutique hotel, in which residents are able to utilise its amenities upon completion.

Its existing attraction is the water park, with two other accommodation facilities, the Arabian Bay Resort and Caribbean Bay Resort.

The company has seen more than 1.6 million visitors since the opening of the water park in 2009.

"We are prepared to welcome more visitors to stay at BGRC, as we have nearly doubled our room capacity to 1,866 with the opening

of our Arabian Bay Resort in October 2012," company spokesman Nasiruddin Nasrum said in a recent interview with *The Edge Financial Daily*.

BGRC's second park, the Bukit Gambang Safari Park, will be fully operational by mid-2013 to 2014. Nasiruddin said the project is projected to record a 30% gross profit for the group.

Sentoria expects to invest about RM60 million in completing the Safari Park, which will be funded internally and with borrowings.

The Safari Park, spanning over 138 acres, is expected to host 400,000 people in its first 12 months of operations.

Currently, the first three sections of the Safari Park are open to visitors. Its main attraction are the white lions, which the group claims to be a first in Asia.

Sentoria will also be developing a marine park and an adventure park between 2016 and 2019.

The company's net profit grew to RM47.84 million for the financial year ended Sept 30, 2012 (FY12) from RM14.2 million for FY08. Revenue expanded to RM179.3 million from RM84.8 million. But its share price dropped to 70 sen last Friday from 82.5 sen last September.

Construction and property development has always been the key earnings contributor to the company, accounting for 70% of its revenue. The company had a construction order book of RM104 million as at end-2012.

"Leisure and hospitality will provide the group with a recurring income. Currently, leisure and hospitality contributes about 30% to group revenue," said Nasiruddin.

According to the Sentoria spokesman, ideally, the company would aim for a 50:50 contribution from its construction and property development, and leisure and hospitality businesses.

"BRCG will establish us as a prominent player in the leisure and hospitality industry," he said.