

AYER Holdings Bhd kicked off the year with the new name, hoping to create more visibility for its brand. The plantation and property development company, formerly known as TAHPS Group Bhd, wants to attract not only new buyers to its property projects but also new investors.

The evolution of the company is one that has been 11 years in the making. However, its group CEO Eugene Khoo is determined to do things differently and this means making it increasingly forward-facing.

"Not many people know who we are. I think if you search for the company's name and mine, you're likely to find more articles about us in the last 12 months than you would in the last 10 years, so our direction going forward is going to be very different," he tells *FocusM*.

He admits that times have been tough for the company, given the soft market in recent years, but says the time is right to break out of its low profile.

"The market has been changing over the last few years, with things becoming more and more challenging. We have to be known as a real estate brand, and as a developer that builds solid properties since we are targeting the mass market," he adds.

Khoo says with the company's increased efforts to gain recognition for its brand, bankers have come knocking on its door to offer financing facilities for its future projects.

Need to step up digital marketing

"It's an option we can consider as our balance sheet is healthy and we have zero gearing," he points out.

He adds that the company is looking to attract new buyers from the younger generation, emphasising the need for increased digital marketing efforts.

There is also the potential of attracting new investors to the group, although Khoo says he would much rather focus on his mandate first.

"My mandate is to finish developing the rest of the land we have left in Bukit Puchong, as the board wants to expedite the development.

"We will build as much as the market can absorb, as well as create the market to absorb our properties," he elaborates.

That said, Khoo does not discount the possibility of entering into joint ventures to develop the rest of the land, or to dispose of some non-strategic parcels, thus allowing it to branch out to areas outside Puchong.

Ayer Holdings is one of the largest land owners in Puchong with about 242.4ha (600 acres), and to date has completed at least three projects in Bandar Bukit Puchong – Epic Residence (exclusive low-density serviced apartments), Foreston (bungalows and semi-detached houses) and BP Newton shop-offices.

Rebranding

Khoo says the rebranding exercise the company has gone through was necessary for it to become a



The Andira Park development in Bandar Bukit Puchong has been fully sold and the group is finalising its masterplan for the rest of the township

Ayer Holdings steps up market visibility efforts

- It has been working to increase awareness and attract new buyer demographic
- Rebranding will also attract new investors
- Its plantation segment brings a steady cash flow, but there could be other plans for its unplanted land



by Shalini Kumar

known property developer.

It has been a long journey of transformation for a company that has the distinction of being one of the oldest listed companies on Bursa.

Originally known as The Ayer Hitam Planting Syndicate Ltd, the company was incorporated in 1907 and was listed on the Kuala Lumpur Stock Exchange in 1961. In its early days, the company cultivated rubber on the Bukit Hitam Estate in Selangor.

In its centenary year, the company changed its name to TAHPS, an acronym for its original name.

The company is controlled by the Lim family, which holds a 37.75% stake via Bee Guan Sdn Bhd

and Lim Enterprise Sdn Bhd.

Ayer Holdings obtained shareholders' approval at its extraordinary general meeting last month to change its name once again, as a way to differentiate itself.

Khoo says its products would now be branded under Ayer, the real estate brand. As such, Bukit Puchong will now be known as "Bukit Puchong by Ayer".

In August last year, Ayer Holdings launched 140 units of two- and three-storey link villas, known as Andira Park, in its Bukit Puchong township. The project has an estimated gross development value of RM100 million and units are priced from RM650,000 or about RM4,000 per sq ft.

The project is expected to be completed by August 2020. It will have facilities such as a playground, multi-purpose room, BBQ area, jogging path, multi-purpose sports court and an acre of open space for residents.

Andira Park was the first launch for the company since Epic Residence – a serviced apartment project in the township in April 2014.

Going forward, Khoo

Khoo says the group will continue to focus on developing its remaining land in Bukit Puchong

says it is "fairly open" to development opportunities, including outside the Klang Valley.

"We would not be focusing on just townships, we also have the capacity to go into commercial (development), but really we have the flexibility to consider a number of different options," he adds.

Khoo did not elaborate on its future launches, merely saying Ayer Holdings is in the midst of finalising its masterplan for the rest of the township, which will likely be completed in the next two to three months.

He adds that it is also working on adding recreational, education and healthcare components to enhance the value of the township, and is in preliminary discussions with several local and international healthcare providers.



JONATHAN LOU/FOCUSM

Ayer Holdings Bhd

PROPERTIES

KEY BOARD MEMBERS AND MANAGEMENT

Tan Sri Yong Poh Kon (chairman)
Eugene Khoo Kong Hooi (CEO)
Kong Chee Khooi (CFO)

MAJOR SHAREHOLDERS

Bee Guan Sdn Bhd

22.19%

Lim Enterprises Sdn Bhd

15.56%

Lim Ke Hui

5.36%

Lim Kai Hee

5.14%

MARKET CAP (Jan 11)

RM501.5m

Share price (Jan 11)

RM6.70

52-week high (July 24, 2017)

RM7.60

52-week low (Dec 12, 2017)

RM6.30

FINANCIAL RESULTS

(Q3 ended Sept 30, 2017)

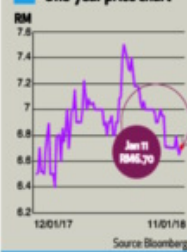
Revenue

RM10.6m

Net profit

RM2.1m

One-year price chart



As for its plantation division, Khoo says it provides the company with a steady cash flow, but there could be other plans for its unplanted land.

"We have about 2020ha (5,000 acres) of plantation land in Terengganu which have not been planted, and we are looking at possible options for this land," he says.

In a recent report, PublicInvest Research says it is maintaining a neutral call on Ayer Holdings with an unchanged target price of RM7.37, given that the company's performance only met 62% of its estimates.

"We believe earnings will improve further in Q4, following the commencement of construction works in its Andira Park project, which has fully sold out. Investors with very long-term horizons may find this an attractive proposition however, given its deep value (land held for property development valued at 70% discount to RNAV)," it says.

For the third quarter ended Sept 30, Ayer Holdings posted a net profit of RM2.1 million on revenue of RM10.6 million. Cumulatively over nine months, the net profit came to RM10.5 million and revenue at RM36.2 million. Last November, the company changed its financial year-end from March 31 to Dec 31. *FocusM*

Read 1085 times

Tweet

Like

Sign Up to see what your friends like.