E&O Property posts RM15.8m Q1 net profit

MAIN-board listed E & O Property Development Bhd (E&OProp) has registered a net profit of RM15.79 million on a turnover of RM99.44 million for its first quarter ended June 30 2004.

The company attributed its strong turnover to its property development and property investment activities as well as construction and related activities.

E&OProp was formerly known as Kamunting Corp Bhd.

This marks the beginning of the first three months of E&OProp's first financial year since the completion of a group-wide restructuring in November 2003 that saw the streamlining of Eastern & Oriental Bhd's property development activities into E&OProp.

In the previous year ended March 31 2004, the company recorded a net profit of RM11.87 million.

"This encouraging set of results has proven that the company's focus on streamlined operations and renewed initiatives in the property development arena is timely, as it capitalises on the industry's steady momentum of growth.

"We are now in a stronger position to move forward in creating value for our stakeholders, reinforcing the fact that we are indeed on the right path," said its managing director Datuk Tham Ka Hon said.

Tham also heads the Eastern & Oriental Group of Companies which currently holds a stake in excess of 40 per cent of E&OProp.

E&OProp has a landbank of more than 360ha in key and well-established locations within the 10km to 15km radius from Kuala Lumpur city centre and on Penang Island.

Its maiden development project is the exclusive Dua Residency condominium along Jalan Tun Razak located within the vicinity of the US Embassy, Singapore High Commission and the KLCC (Kuala Lumpur City Centre) area.

The 288-unit development sits on a five-acre land and is considered one of the lowest density condominium developments within the area.

"The first five months saw brisk sales of more than 60 per cent, since Dua Residency was introduced to the market in March this year.

"I am delighted with the market response to E&OProp's maiden project and we are definitely well ahead in terms of meeting our sales target for this development," Tham added.

The company expects to launch four new projects in the coming year in Damansara Heights and on Penang Island.

"Seventy Damansara" is an exclusive 12-unit development located along Jalan Damansara and Jalan Jelutong in Damansara Heights, adjacent to Seri Perdana, the former official residence of the Prime Minister.

"Idamansara" is an exclusive residential project planned on a 13-acre freehold site, accessible via Changkat Semantan and Jalan Jelutong which involves 91 units of semi-detached and detached homes.

Another project in the coveted area is "The Peak", a 5.6ha site that sits on the highest point of Damansara Heights which will involve sales of individual bungalow plots.

The Tanjung Pinang development Phase 1 in the Tanjong Tokong area of Penang — targeted to be launched at the end of the year — is highly anticipated as it makes waterfront living accessible to more people in the land-scarce state.

"The demand for quality, innovation and location coupled with a dedication to excellence is evident in the property market today. We are well-positioned to serve this demand.

"We will continue to build lifestyles and create experiences that appeal to home buyers. E&OProp is now ready for various upcoming development projects that will further drive earnings growth over the longer term," he said.