

DATE: 14 APRIL 2018
PUBLICATION: THE STAR
SECTION: BUSINESS
HEADLINE: FAJARBARU SEEKS NEW MARKETS
CATEGORY: COMPANY NEWS

Fajarbaru seeks new markets

After 2 successful launches in Australia, developer is looking at other parts of Asia-Pacific

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PETALING JAYA: After embarking on a couple of property developments in Melbourne, Fajarbaru Builder Group Bhd is eyeing more projects in other cities Down Under and in other markets in the Asia-Pacific.

Group executive director Datuk Seri Eric Kuan told *StarBiz* that after its successful launch of two projects in Australia – Gardenhill and Paragon – the group is confident of venturing into other property markets in the region.

“We are on the lookout for property development opportunities in the region, particularly in Asia-Pacific.

“Our approach will be the same as in Melbourne, where we will partner local developers or landowners as well as through acquisitions.

“This will be our mid to long-term plan for Fajarbaru,” he told *StarBiz*.

To date, the group has undertaken two

property developments in Australia and one in Malaysia.

Gardenhill was completed in 2017 with a gross development value (GDV) of A\$77mil and the units have been fully taken up.

Meanwhile, Paragon was launched last year with a GDV of A\$190mil and has a current take-up rate of 85%.

Its latest project involves a freehold land in Melbourne that has been earmarked for at least 15 double-storey townhouses.

On April 10, Fajarbaru announced to Bursa Malaysia that it had, via a wholly-owned unit, acquired a 49% stake in Beulah Northcote Land Pty Ltd for A\$98 (RM291.35).

Additionally, it would inject up to A\$2.99mil to subscribe for an additional 2.99 million ordinary shares in Beulah, representing 49% of the total increased issued capital of A\$6.1mil in Beulah. Fajarbaru expects to complete the acquisition this month.

Meanwhile, Kuan did not discount the possibility of the group venturing into other cities

in Australia to further expand its footprint.

He said Melbourne is still the group's main focus as it is one of the top location choices for Australian and international buyers when it comes to investment in Australia. The city also offers good rental market.

He said the Australian property market would continue to provide a healthy income for the group in the coming years.

On the home front, Fajarbaru last year launched its first property development, Rica Residence, in Sentul.

The project received positive response and is scheduled to be completed by 2021. The group is scheduled to launch Rica Residence in Puchong later this year.

Revenue contribution to the group from its construction, property development and other business divisions currently stands at 46%, 20% and 34%, respectively.

Fajar Baru's shares on Friday closed unchanged at 69 sen, with a market capitalisation of RM259mil.



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