

KSK sees RM1.6b gross profit from "8 Conlay" mixed development

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Written by Chen Shaua Fui of theedgemalaysia.com

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KUALA LUMPUR (Sept 18): KSK Group Bhd is expected to reap a gross profit of about RM1.63 billion from its maiden "8 Conlay" mixed property development along Jalan Conlay here.

The gross profit figure is based on calculations by theedgemalaysia.com after taking into account the project's gross development value (GDV) besides the development and land cost.

The "8 Conlay" project on 1.58ha (3.95 acres) has a total GDV of RM4 billion. The development cost of the project is RM1.8 billion while land cost is RM568million.

KSK Group Chief Executive Officer Joanne Kua said the project, undertaken by KSK Group's wholly-owned subsidiary KSK Land, is scheduled to be completed in 2020.

Upon completion, "8 Conlay" will comprise two blocks of serviced residential units, a five-star hotel and a 200,000 sq ft retail podium.

According to Kua, the residential units will be operated by an international renowned five-star hotel operator, which will be revealed in mid-November this year.

The two residential blocks, 52 storeys and 56 storeys respectively, will be designed by two internationally renowned designers from Asia and the West, and will be introduced next month, she said.

She said the residential units to be managed by a hotel operator was a relatively new concept in Kuala Lumpur's property market.

"We believe that in order to preserve values of your property, managing your property and ensuring that it is in a good shape is very important; this is a big element to keep your values up.

"For the person who is living in the development, you can enjoy different elements of lifestyles at your doorsteps. For investors, you know someone reputable is managing your property, and the standard is of the hotel standard," she told reporters today after launching KSK Group's platinum sponsorship of the "Mamma Mia!" musical.

Kua said KSK Group had obtained the development order from the authorities to start the ground work for "8 Conlay" The first phase of the residential portion will be launched in March 2015.

Looking ahead, Kua said KSK Group had no plans to list KSK Land. Incorporated in 2001, KSK Group, which was formerly known as Kurnia Asia Bhd, was delisted from Bursa Malaysia on November 7, 2013.

The delisting followed the privatisation of KSK Group via a selective capital reduction and repayment.

Apart from property development, KSK Group plans to grow its general insurance business in Thailand through its KSK Insurance (Thailand) Public Company Ltd, and in Indonesia via PT KSK Insurance Indonesia.

Kua said political uncertainties in these countries did not have impact on KSK Group's business.

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