

Strong showing likely for Genting Plantations in 2H

Solid demand for property in Johor to lift earnings

PROPERTY

PETALING JAYA: Genting Plantations Bhd is set to record stronger property earnings from the second half of this year (2H25) and into 2026, supported by the successful launches and construction progress of its key developments in Johor, analysts say.

According to Maybank Investment Bank Research (Maybank IB Research), Genting Plantations' property division is well-positioned to benefit from strong demand for its mixed-use township developments in Kulai and Batu Pahat in Johor, underpinned by unbilled sales and positive market sentiment linked to regional economic initiatives.

The research house also noted that optimism surrounding the Johor-Singapore Special Economic Zone has boosted demand for the Kulai development.

Maybank IB Research noted that "visible property earnings in the coming quarters" are anticipated as both the U.Reka residential development in Kulai and Genting Industrial City (GIC) in Batu Pahat are progressing well and enjoying strong take-up rates.

"We believe the success of these projects will be reflected in improving property earnings in 2H25 and 2026. This is underpinned by its high unbilled sales of RM157mil as of March 31, or 1.2 times revenue for last year, and U.Reka's successful launch on May 10," the research house said.

U.Reka, located in Genting Plantations' long-standing Genting Indahpura township in Kulai, saw a rousing reception upon

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Maybank Investment Bank Research

launch, where all 189 non-bumiputra units under first phase were taken up on the day of launch. "Genting Plantations' latest residential project, U.Reka, has gotten off to a rousing success," Maybank IB Research said.

Construction for U.Reka had already commenced ahead of the launch, with Maybank IB Research estimating about 30% completion by the end of last month.

Genting Plantations is developing the entire U.Reka project in phases over 10 years, with a projected gross development value (GDV) of RM2.5bil across 2,611 units on 306 acres of freehold land.

The first phase of U.Reka comprises 317 units of mixed residential properties with a GDV of RM275mil. Meanwhile, in Batu Pahat, its industrial development under the Genting Pura Kencana township has also gained strong traction.

The first phase of GIC, launched late last year, recorded an average take-up rate of 82%, excluding bumiputra units, for its terrace, semi-detached, and detached factory units priced between RM770,000 and RM3.7mil.

The GIC project was launched late last

year with an estimated GDV of RM260mil.

The average take-up rate of the new launches was 82% as of May, excluding bumiputra lots.

Maybank IB Research expects the contributions from both U.Reka and GIC to positively impact Genting Plantations' bottom line in the coming years, with property revenue recognition forecast at RM141mil this year and RM147mil next year.

Operating profit has been projected at RM32mil and RM34mil, respectively, over the same period.

"We make no changes to our earnings forecasts as we expect its property earnings contribution to pick up after missing estimates in the first quarter of this year," Maybank IB Research said.

The research house maintained its "buy" call on Genting Plantations with an unchanged target price of RM6.89, based on a 19 times 2025 price-earnings ratio.

Nevertheless, the research house cautioned that risks to its outlook include weather anomalies, weaker crude palm oil prices and unfavourable government policies that may affect Genting Plantations core palm oil segment.

SimeProp's latest project gets 90% take-up rate

PETALING JAYA: Sime Darby Property Bhd's (SimeProp) latest residential project, the first phase of Elmina Ridge 2 residential development, has secured a 90% take-up rate following a soft launch.

The development, which comprises 221 units with a gross development value of RM339mil, is part of the City of Elmina township.

The project is slated for completion in 2028.

"Elmina Ridge 2 builds on the success of Elmina Ridge 1, which was fully taken up during its launch last year," SimeProp said in a statement.

Built on freehold land, the development features a premium collection of freehold

units comprising superlink (24ft by 70ft), cluster (36ft by 70ft), and semi-detached (40ft by 80ft) homes.

The development's built-up areas range from 2,274 sq ft to 3,288 sq ft, with prices starting from RM1.21mil for the superlink homes, RM1.76mil for the cluster homes, and RM2.22mil for semi-detached properties.

SimeProp chief operating officer for township development, Appollo Leong said: "The City of Elmina has reached a level of maturity where commercial amenities and lifestyle-centric features are widely available. The Elmina Lakeside Mall and Central Park are abuzz with activity and events all year round, offering our commu-

nity a vibrant and lively environment."

Strategically located next to mature precincts such as Denai Alam and Bukit Subang, Elmina Ridge 2 also boasts easy access to the upcoming schools at the Education Hub and nearby shop offices such as e-Boulevard, Temu and Jumpa commercial centres.

Elmina Ridge 2 offers easy access to the New Klang Valley Expressway via the Guthrie Corridor Expressway (GCE), as well as an upcoming direct connection to the Damansara-Shah Alam Elevated Expressway via the Elmina Ridge precinct, ensuring seamless connectivity to key destinations throughout the Klang Valley and beyond.