AP Land stock reflects choppy results: Analysts

By Sharen Kaur
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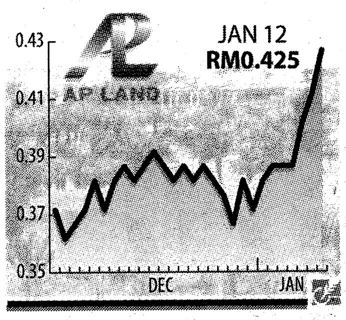
ALTHOUGH the Low family's offer for Asia Pacific Land Bhd seemed low, investors did not appear to object as the stock stayed below the bid price, even as it hit a three-year high yesterday.

The stock's poor run appears to be so over the last five years, as it hit a high of about 70 sen in 2007 and dipped below 20 sen in 2006.

In contrast, its net assets per share has stayed above RM1 since 2005.

Analysts said the stock's poor showing over the last few years could be blamed on the group's choppy financial performance.

AP Land has been in the red from 2005 to 2007, with a net loss of RM6.6 million, RM33.5 million and RM15.4 million respectively.



It made a net profit of RM638,000 in 2008 before losing money again in 2009 with a RM896,000 net loss.

"AP Land was a good stock but its earnings growth has not been consistent," said one property analyst.

As the stock has not been performing, the Low family decided to buy all of AP Land's business for RM305.2 million or 45 sen a share.

This is likely to spell the end of AP Land as a publicly-traded property stock as the group could be delisted without a business.

AP Land's stock rose to 44 sen, before closing at 42.5 sen yesterday. The last time the stock hit 44 sen was in February 11, 2008.

MIDF Research senior analyst Syed Muhammed Kifni Syed Kamaruddin said taking AP Land private at 45 sen a share may be wise on the acquirer but he thinks the offer price is unfair.

He thinks AP Land's book value of RM1.05 could be the reason why it is being taken private.

Property companies that have been privatised in the past are Petaling Garden, Island & Peninsular, Negara Properties, Pelangi and Sime UEP Properties.

Soon, the list will include Sunrise and Sunway City Bhd.

From textiles to properties and plantations

Tejari eyes 20pc revenue growth

By Goh Thean Eu
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TEJARI Technologies Bhd, a hydraulic automation systems solutions provider and a IT products retailer, expects revenue to grow by 10-20 per cent this year, mainly helped by its recent diversification and a stronger economy.

"Barring unforeseen circumstances, this year should be a better year in terms of revenue, mainly for two reasons. Firstly, we will be having full-year contribution from our two subsidiaries, PC3 Technology Sdn Bhd and Essential Action Sdn Bhd. Secondly, we are expecting the economic climate to improve this year," chief financial officer Kenny Khow said in Kuala Lumpur yesterday.

The acquisition of PC3 and Essential, which are involved in the retail and wholesale business of ICT products and consultancy, was completed middle of last year.

The deal was part of Tejari's move to diversify into a different industry so that it will not be overly reliant on its hydraulic automation systems business.

Khow was speaking to the media after announcing the company's proposed renounceable rights issue of up to 420.02 million new ordinary shares, together with 315,02 million free detachable warrants on the basis of four rights shares as well as three free warrants for every two existing Tejari

Khow says Tejari expects to raise RM50.4 million from its rights issue

equity participation in the company at a discount to the prevailing market price for the Tejari shares.

The company is expected to raise up to RM50.4 million gross proceeds, of which RM11 million will be used to repay borrowings, while the balance of up to RM38.5 million will be used as working capital, which may include mergers and acquisition exercises.

"Currently, we are in talks with a few downstream players on possible collaboration with our hydraulic division. Negotiations are still in early stages, so we'll an-