

SF aims to revolutionise community mall business

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Siam Future Development Plc (SF), a SET-listed community mall developer, will resume its expansion by allocating 1.5 billion baht to develop up to three new community malls in the next three years.

The company had frozen its expansion for several years.

Executive vice-president Thongchai Tantisathit said the planned community malls would be in Bangkok and major provinces, with Nakhon Pathom, Chachoengsao and Nonthaburi on the investment radar.

Although there are about 50 new community malls planned to open per year, this retail segment is not oversupplied.

During the past few years, half of the new community malls were successful because consumers' lifestyles have rapidly changed to shopping near their houses.

The company is working on a prototype community mall to meet demand in each location.

"We expect the new community malls we will introduce in the future will be a revolution in Thailand's retail industry," Mr Thongchai said.

In addition to the new malls, the company has earmarked 1 billion baht to renovate its five existing projects this year.

The company is negotiating with landlords to extend retail space at some existing community malls between 15% to 100%.

Tenant mix will be adjusted to respond to the demand of customers in each location as well as increasing management efficiency amid fierce competition.

Apart from the renovation, it is interested in managing community malls for other property developers this year to generate additional income and diversify risks.

The company yesterday signed an

agreement with SET-listed L.P.N. Development Plc to manage a community mall at Lumpini Township Condominium in the Rangsit Khlong 1 location.

SF will rent space from L.P.N. for 30 years to operate The Market Place community mall, which is scheduled to open in the third quarter.

The three-storey building will have total retail space of 11,000 square metres and house more than 30 tenants including Tops Market, 7-Eleven convenience store and other services from banking and health and beauty to fashion and restaurants.

The company expects to have 5,000 visitors a day at its community mall. It will have parking space for 150 cars.

Apart from The Market Place, other new retail developments nearby include Central Pattana Plc's CentralPlaza shopping complex and the Mega East project, which will be co-developed by Siam Future and its partner.

Currently, Siam Future operates 23 community malls such as J Avenue and Market Place. Of the total, 21 projects are in Bangkok and the remaining two are in Pattaya and Chachoengsao.

The company posted a net profit of 700 million baht last year, up 20% from 2013, on revenue of 1.86 billion baht.

SF shares closed yesterday on the SET at 6.90 baht, down 25 satang, in trade worth 27.9 million baht.



Thongchai: Major provinces on radar