

Publication : **The Star**
Date : 17 November 2015
Section : Business / Bizbytes
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Hua Yang terminates land deal

KUALA LUMPUR: Affordable housing developer Hua Yang Bhd has terminated its plan to acquire one of two parcels of freehold land in Bukit Mertajam, Penang.

“The termination of the plot, measuring 3.14 acres, was due to the vendor’s inability to fulfil one of the conditions precedent (CP) to the sales and purchase agreement (SPA),” Hua Yang said in a statement.

It said the non-fulfillment of the CP to the SPA would disrupt the strategic development plan and timeframe that the group had set for the land. The termination of the SPA will not impact Hua Yang’s 2016 financial year results.

“The interest of Hua Yang’s shareholders remains a priority and the group will continue to explore new opportunities to expand its land bank.

“Nevertheless, any potential acquisitions must meet the criteria set out by the group and must be able to deliver tangible value to its shareholders in a long term and sustainable manner,” it said.

To recap, Hua Yang had previously announced that it was acquiring two land parcels measuring 4.9 acres and 3.1 acres in Bukit Mertajam for RM31mil. This translates into land costs of RM66 per sq ft and RM103 per sq ft for the two land parcels, respectively.