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Hua Yang: No plans afoot to develop prime land

> Will wait for property market to recover as current market conditions not conducive

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PETALING JAYA: Hua Yang Bhd, which received shareholders' nod yesterday to increase its stake in Magna Prima Bhd by 20.12% for RM123.75 million, has no firm plans to develop the latter's most valuable prime land in Jalan Ampang, where the Lai Meng Primary school was located, in view of the market conditions.

"The project team in Magna Prima has started to relook at the components in view of the current market situation," said Hua Yang Bhd CEO Ho Wen Yan, who was appointed Magna Prima executive director on Feb 13.

"This situation is always changing. There's more development as well as planning guidelines. They are now re-submitting for new approvals," he told reporters after the company's EGM yesterday.

The 1.06ha land is Magna Prima's most priced land and Ho hopes to unlock the value of it once the property market recovers.

It was previously reported that Magna Prima intended to dispose of the land, but Ho said the land is now no longer put on sale.

At the EGM yesterday, Hua Yang



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Ho speaking to reporters during a press conference after the company's EGM yesterday.

shareholders approved the acquisition of an additional 20.12% stake in Magna Prima, bringing its shareholding to 30.96% from the current 10.84%, making it the largest shareholder, leaving Hua Yang 2.04% shy from the 33% mandatory general offer (MGO) threshold.

Ho said Hua Yang is comfortable with the stake in Magna Prima, leaving it with little room to increase its investment without triggering the MGO.

He added that Hua Yang would instead bring on board its strengths in areas of operation and execution of projects as well as investor relations and media experience, which could help Magna Prima unlock value and better manage its cost.

On Hua Yang's end, it will benefit from an opportunity to branch out of the affordable development segment as well as to tap into the Klang Valley segment.

Ho said much focus will be channelled into Magna Prima's operations, after a lengthy and tedious acquisition process en route to yesterday's EGM.

He added going forward, Hua Yang is looking to collaborate with Magna Prima for more projects.

"Magna has five parcels of good land in Kuala Lumpur. We are working together with the new shareholders. (We hope) to unlock the value of these parcels of land, and realise the investments for Hua Yang."