



## Higher demand, sales to drive Hua Yang to the black in FY20

Last update: 28/08/2019



KUALA LUMPUR, Aug 28 (Bernama) -- Property developer, Hua Yang Bhd is optimistic of returning to the black in the current financial year ended March 31, 2020 (FY20), backed by improved market demand and higher sales.

Chief executive officer Ho Wen Yan said the group aimed to secure RM400 million in sales this year, significantly higher than the RM286 million achieved in FY19, supported by existing and new launches.

He said demand in the first half of this year had improved and the momentum was expected to continue into the second half.

"We believe the demand is there to drive our sales as we see some improvement in bank financing, so more buyers will return to the market.

"We will continue to focus on the affordable housing segment, targeting to launch new products totalling RM494 million in gross development value (GDV) this year," he told reporters after the group's 40th Annual General Meeting here today.

Hua Yang recorded a net loss of RM22.5 million in FY19, primarily due to share of loss from its associated company, Magna Prima Bhd, amounting to RM16.65 million, which also resulted in the group having to make a provision of impairment loss totalling RM7.9 million.

"Going forward, we do not foresee any further provision from this or other investment and Magna Prima should be more in the positive territory," he said, adding Hua Yang has unbilled sales of RM200 million currently which would provide earnings visibility for the next one-and-a-half years.

As for new launches, Ho said the group was set to launch its new serviced apartment project in Penang with a GDV of RM400 million by October this year.

The group has recently launched the first phase of its Puchong Horizon project, namely Aviary Residence which has GDV of RM394 million.

Puchong Horizon, with a total GDV of RM2.05 billion, is a township project that will be developed over seven phases.

Hua Yang has a total landbank of about 283.28-hectares with a GDV of RM5.3 billion, scattered around Penang, Johor, Perak and Klang Valley, he added.

-- BERNAMA