

Hua Yang flirts with up market segment

by **NORSIAH NORAINI**

HUA Yang Bhd is fast becoming a top-notch property developer if its recent developments are anything to go by.

Despite the softer property market environment, the affordable housing expert has lined up a number of property projects in several locations within the country.

While maintaining focus on its bread-and-butter business, that is, affordable homes, Hua Yang is now flirting with the up market segment. It is slated to launch its maiden high-end development called Polo Park in Johor Baru within the second-half of next year.

Although a relatively small project with a gross development value (GDV) of RM30 million, Polo Park could well be a test case for the group, should it want to venture into the high-end property segment in a big way.

Polo Park will be a gated and guarded boutique development within an exclusive residential enclave in Johor Baru and is scheduled for completion by 2012.

Hua Yang's chief operating officer Ho Wen Yan said Polo Park is planned for next year to tie in with the anticipated recovery within the mid-to-high-end properties as well as leverage on the growth of Iskandar Malaysia in Johor.

Including Polo Park, Hua Yang currently has new projects with an estimated GDV of RM1.37 billion, which will keep it busy for the next nine years. The biggest among the upcoming developments is the RM700 million mixed development consisting of

The property developer will launch its industrial, commercial projects in Senawang in 2Q10

residential, commercial and retail projects spread over 6.7ha in Sungai Besi, Selangor.

This project is a departure from Hua Yang's focus of mass housing within integrated townships as it will include high-rise residential units.

"Highly visible along the Kuala Lumpur-Seremban Highway, the Sungai Besi development will enjoy a ready catchment population from the surrounding matured development of Fortune Park, Palace of the Golden Horses and South City Plaza," Ho said.

The project is expected to be launched in the first quarter of next year (1Q10) and will take six to eight years to complete, he said in an e-mail reply. Another project slated for launch within 1Q10 is Seremban Country Heights — a residential and homestead development with a GDV of RM45 million. The development is expected to take four years to complete.

Hua Yang will also be launching its industrial and commercial development in



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Senawang, Negeri Sembilan, in 2Q10. Covering 11.3ha, the project is worth RM 43 million and will be completed by 2014.

Last but not least, are the new projects at its ongoing development in the Klang Valley — Symphony Heights in Selayang, valued at RM200 million.

These new development will add nicely to the group's already burgeoning portfolio. Hua Yang is currently developing its flagship development in Johor called Taman Pulai Indah with a GDV of RM1.2 billion. Sprawled over 192.7ha of land, the township

Symphony Heights in Selayang is valued at RM200m

is poised to be a modern community living, with lush scenery and a natural lake, to create an ideal environment for families to live in. Some 3,300 units of residential and commercial properties have been sold since its launch in 2001.

To further beef up its property development activities in Johor, Hua Yang has acquired a 56.9ha plot that has been earmarked for mid-to-high-end development.

Strategically located on both sides of the Skudai Pontian highway, the parcel of land is one kilometer from Taman Pulai Indah.

With a GDV of RM350 million, the new project would most likely be a mixed commercial and residential development comprising commercial units, double-storey terrace houses, cluster homes, semi-detached and bungalow units priced from RM220,000.



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Despite the economic slowdown, Hua Yang is confident that by offering the right product to the market, the project can do well. "We have seen from the performance of our other projects in Johor as well as Symphony Heights that buyers are still looking for value-for-money offerings and we expect our latest development to fall within this niche," added Ho.

Hua Yang's careful planning of its property projects is reflected in its financial performance. The group recorded a net profit of RM2.8 mil-

lion for the first quarter to June 30, 2009, up from RM1.76 million a year earlier. Revenue rose to RM25.17 million from RM20.09 million for the same period while earnings per share edged up to 3.12 sen for the quarter from 1.96 sen before.

For its financial year to March 31, 2009, Hua Yang posted a higher net profit of RM8.61 million, or 9.56 sen a share, against RM6.58 million, or 7.31 sen a share, a year earlier. Revenue soared to RM100.04 million from RM59.93 million previously.