

# Hua Yang projects aims for RM350m sales, says CEO

*Major contributor to sales performance is One South at Sungai Besi, the company's flagship development in the Klang Valley*

by FARAH ADILLA

HUA Yang Bhd is confident of hitting the RM350 million sales mark based on its nationwide operations for the financial year ending March 31, 2012.

"Based on our forecast, projects in Johor and Perak are expected to contribute up to RM150 million whilst the Klang Valley operations will contribute RM200 million in total by the end of this financial year (FY)," said its chief executive officer (CEO) Ho Wen Yan in a statement.

For the first-quarter ended June 30, 2011, the company posted a net profit stood at RM11.5 million on the back of RM61.8 million in revenue. Its net profit and revenue grew 135% and 66% year-on-year, respectively.

Sales at the end of 1Q FY12 totalled RM163.8 million, 232% higher than last year's corresponding period and equivalent to 53% of the total sales achieved during the previous financial year.

A "major contributor" to the sales performance was One



**Ho says there is a strong demand for housing below the RM400,000 threshold as there is more demand than supply in this segment**

South at Sungai Besi, which is Hua Yang's flagship development in the Klang Valley, the company said.

Phase 2 of One South, consisting of two blocks of serviced apartments with a total gross development value (GDV) of RM160 million has been 100% booked.

Over 181 units of Block C, Gardenz@One South were snapped up within two days of the launch at end of July 2011, it said.

"Last week, Hua Yang opened up another 133 units out of the total 196 units at Block B, the

remaining block of Gardenz@One South. Of that, 80% of the 133 units offered were successfully taken up," it said.

The statement said with the right product at a good price situated in secondary locations such as Seri Kembangan, Puchong, Kajang, Selayang, Sri Rampai, Bukit Jalil and Shah Alam, Hua Yang believes that many first time home buyers will purchase their first properties from the company.

Ho added there is a strong demand for housing below the RM400,000 threshold as there

is more demand than supply in this segment, saying demographics, urban migration and other factors augur well for this market.

"Our strategy is to build vertical communities such as Symphony Heights, Selayang, Parc@One South and Gardenz@One South in urban areas, while building townships outside of the Klang Valley such as Taman Pulai Indah, Johor and Bandar Universiti Seri Iskandar, Perak," he said.

In the current financial year ending March 31, 2012, Hua Yang said it is scheduled to launch projects worth RM525 million in GDV.

The company also has a large volume of unbilled sales of RM370 million with over 80% of coming from the Klang Valley projects.

"This provides the company with a strong earnings visibility over the next two years," Ho said.

He said Hua Yang is always in acquisition mode and is constantly looking to add to its current land bank of 790 acres, which able generate up to RM2.4 billion in GDV.

"We are also looking at expanding our presence to Penang and East Malaysia, with our initial studies revealing that there is a demand for properties between RM90,000 to RM400,000," Ho said.