

Publication : **The Malaysian Reserve**
Date : 25 July 2014
Section : Real Reserve
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Hua Yang's the one to watch

LEADING stockbroking and research firm TA Securities Holdings Bhd has identified Hua Yang Bhd as its top pick for the property sector based on its continued strong earnings upcycle and line up of new launches worth RM1.1 billion in the coming months.

In its forecast, TA Securities projected that the company will see an earnings growth of 31%, driven by unbilled sales of more than RM750 million and a 2015 sales assumption of RM550 million.

By next year, it said that the Hua Yang Group would have completed the Gardenz series of serviced apartment (phase 3) and Flexis SoHo (phase 4) of its One South development in Seri Kembangan, Selangor.

TA Securities added that the three new launches in 2014,

Greenz@One South, Setrio Suites@Desa Pandan and Metai Residence@Shah Alam in Selangor would also contribute significantly to the company's financial growth next year.

Another up-and-coming project, Puchong West, is expected to be an improved version of the One South development and will replace One South as Hua Yang's main cash cow in the coming year.

Puchong West is targeted for launch in early 2015 and the development approval is expected to be received by end-2014.

According to the developer, the launch will likely take place after the implementation of GST, which will give the company time to observe the effect of the new taxation on the buyer market.



Key components within One South are expected to be completed by next year

Based on a current conservative plot ratio of 4:1, the RM1.35 billion project will comprise six phases of commercial and residential units as well as SoHos. Selling prices could range between RM400,000 and RM500,000.

The first launch from Pu-

chong West is expected to be the serviced apartments with an estimated GDV of RM300 million.

The company also has a total undeveloped landbank worth over RM1.35 billion in GDV located outside of the Klang Valley. – *Chris Prasad*