

# First Penang property project for GUH

## Group to launch residential development in south Seberang Prai next year

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**GEORGE TOWN:** GUH Holdings Bhd is planning the initial launch of an RM238mil residential project in south Seberang Prai next year following the acquisition of a 46-acre land bank for RM69.68mil in Simpang Ampat.

Group managing director Datuk Kenneth H'ng told *StarBiz* that the project, comprising 322 units of landed properties on 16 acres or about 35% of the 46-acre site, had been approved by the local authorities.

"The purchase of the land came with the master plan for the project, which has been endorsed by the local authorities," H'ng said after the company's AGM, which saw the signing of the sale and purchase agreement for the said land bank.

The site was purchased from Million Crest Sdn Bhd by Notable Empire Sdn Bhd, a wholly owned subsidiary of GUH, for RM69.68mil cash. The acquisition is scheduled to be completed in July.

"We plan to launch the project in the first half of 2015. Based on today's property prices, we can expect the project to generate about RM92mil to the group's revenue over the next five years.

"With the launch of our maiden property project in Penang, we expect our property division to contribute over 20% to the group's revenue next year compared with 15% in 2013," H'ng added.

He said the group was optimistic about the project, as it is close to the second bridge and 2.5km from residential and commercial projects such as Bandar Tasek Mutiara, Pearl City, Taman Tambun Indah and Taman Simpang Ampat.

At present, the group still has 150 acres of undeveloped land bank in Taman Kepayang, Seremban. The group has so far developed about 350 acres of its land bank there.

On its water treatment business, H'ng said



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the group was presently tendering for about RM170mil of water projects in the country.

"The unbilled contracts for our water projects to date is RM40mil. We should know the status of the tenders by the end of 2014," he added.

On its printed-circuit board (PCB) business, GUH has in hand some RM60mil worth of orders for double-sided and single-sided PCBs to be delivered by the end of the second quarter.

"The orders are coming from the home audio, car audio, television and refrigerator manufacturers," H'ng said.

For its first quarter ended March 31, the group posted a pre-tax profit of RM8mil on the back of RM77mil in revenue, compared with RM7.8mil and RM62mil respectively achieved in the previous corresponding period.