

Headline	Call for development approvals to be expedited		
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Call for development approvals to be expedited

KUALA LUMPUR: Paramount Corp Bhd hopes the government can expedite development approvals to support the recovery of the property market and the whole economy.

Group chief executive officer Jeffrey Chew said the property developer was concerned over its ability to launch new projects and support the market's demand due to delays in approvals.

"I hope the government recognises the need to help developers to accelerate the process of approvals from all the different authority levels," he said during a press briefing on the group's financial year 2020 results yesterday.

Chew said solving the problem would also determine the company's ability to launch RM1.2bil gross development value (GDV) projects and achieve sales of RM1bil targeted for this year.

He said in 2020, Paramount managed to launch RM834bil GDV worth of projects, lower from its initial target of also RM1.2bil due to lockdown restrictions and Covid-19 adverse impacts.

"If we can really launch 42% more projects to RM1.2bil as targeted for 2021, I think we can beat it (sales target)," he said, adding that Paramount also recognised risks from the Covid-19 pandemic.

Paramount planned to launch high rise (55%), landed (40%), and commercial developments (5%) in 2021.

Among key residential projects are The Atrium on prime "embassy row" land in Ampang with GDV of RM202mil and high rise in Kemuning Utama, Shah Alam with GDV of RM198mil.

He said Paramount saw strong demand growth for landed property in 2020 and expects it to continue this year.

Overall, the outlook of the industry is positive, amid current lower interest rates.

Chew said residential property overhang stood at 57,390 units in the third quarter 2020, while unsold units under construction at 113,576, due to unstrategic locations and higher pricing, among other reasons.

"People say that this could be also because of the bumiputra lot allocation that is still unreleased," he said.

Paramount's net profit jumped to RM486.66mil in the financial year ended Dec 31, 2020 (FY20) from RM104.05mil in FY19, while in contrast revenue dropped to RM593.56mil from RM705.97mil previously.

As for the fourth quarter (Q4) FY 2020, net profit dropped sharply to RM3.59mil from RM39.12mil in the same quarter a year before.

Revenue was lower at RM188.39mil from RM209.62mil. — Bernama