

## ONLINE NEWS

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<http://www.nst.com.my/news/2017/03/224735/suncon-well-managed-order-book-all-time-high-hlib-research>

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### SunCon well managed, order-book at all-time high: HLIB Research

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Sunway Construction Group Bhd is a well-managed company with a commendable execution capability across a wide array of project types. Pix by SAIRIEN NAFIS.

By **FRANCIS DASS** - March 27, 2017 @ 2:45pm

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KUALA LUMPUR: HLIB Research said that its premium valuation yardstick for Sunway Construction Group Bhd is justified based on a number of metrics.

The research house said that Sunway Construction is a well-managed company with a commendable execution capability across a wide array of project types.

This puts it in pole position to ride the ongoing robust flow of construction jobs, like its job wins at Putrajaya, and with DASH and SUKE, totalling RM186 million; as well as being a strong contender for the LRT3; while further supported by jobs from its parent-company.

"SunCon was awarded a RM152.4 million contract for the EPCC at Gas District Cooling Plant 1, Precinct 1, Putrajaya, involving chilled water supply system and power generation system. The job was awarded by the Putrajaya Group and works will span from March 2017 to Aug 2018.

"In a separate award, SunCon also managed to bag the bore piling works subcontract for SUKE (RM18.1 million) and DASH (RM15.8 million)," said HLIB Research.

The firm said that it was positive on the contract-wins, as these represented SunCon's 8th project secured from the Putrajaya Group and, even though SunCon did not manage to secure SUKE and DASH at the main contractor level, it was still awarded the subcontract works for the highways.

HLIB Research said it issued a buy call with a target price of RM2 for Sunway Construction, and added that it reckons the company is a strong contender to participate in the RM9 billion LRT3 project, for which awards are expected to start rolling in from 2Q17 onwards.

"Apart from that, job flow should continue to be sustained by development projects from its parent company, Sunway, generally amounting to RM500-800 million per annum," it said.