

# Sunway Construction posts RM19.3m profit

*The group's revenue falls 35.13% due to decline from the construction and precast segment*

by NUR HANANI AZMAN

SUNWAY Construction Group Bhd (SunCon) posted a lower net profit of RM19.3 million in the third quarter ended September 30, 2021 (3Q21), compared to RM24.04 million in 3Q20.

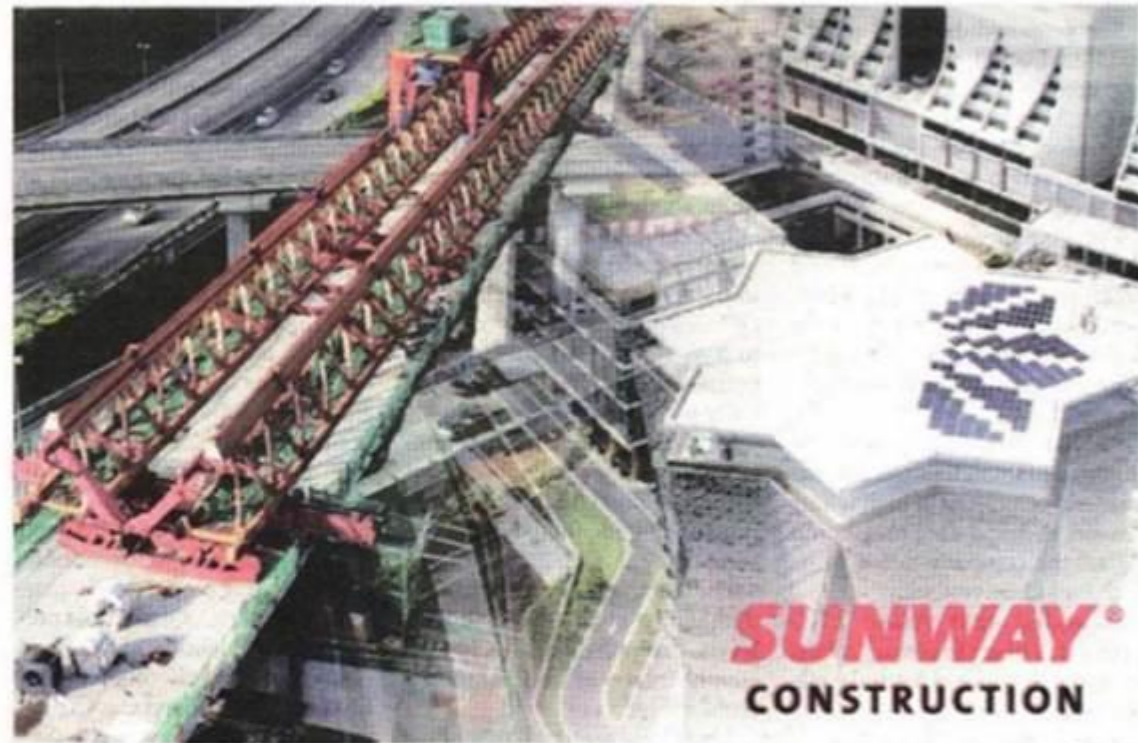
Revenue decreased 35.13% to RM272.08 from RM419.41 million previously due to decline from both construction and precast segment.

"Construction segment reported revenue of RM255.8 million in 3Q21 compared to revenue of RM403.4 million in 3Q20.

"Lower revenue recorded in the current quarter was due to full Movement Control Order 3.0 which affected our productivity at site with relaxation only announced on Aug 16, 2021, allowing construction sites to operate in capacity in tandem with level of vaccination," it said in a bourse filing yesterday.

Precast segment reported revenue of RM16.3 million in 3Q21 compared to revenue of RM16 million in 3Q20.

Turnover for both quarters under comparison were almost the same with both quarters being impacted



Moving forward, SunCon will continue to focus on their overseas ventures, in-house pipeline projects and the expansion of the sustainable energy segment in the solar and district cooling systems

by Covid-19 lockdown regime. Higher loss in the current quarter was due to the impact of higher steel bar prices which increased by more than 25% this year.

Moving forward, SunCon will continue to focus on our overseas venture, mainly in India. Apart from that, SunCon will also continue to focus on in-house pipeline projects by its immediate holding

company, Sunway Group, as well as expanding the sustainable energy segment in the solar and district cooling systems.

"With the Integrated Construction & Prefabrication Hub plant scheduled to be in operation by the second half of 2022, SunCon foresees that our precast segment will contribute more to the group's financials in the near future.

"The group is optimistic in sustaining our performance for the financial year ending 2021 as our staff including our business partners vaccination rate are close to 100%, with the exception of those with health conditions," it added.

SunCon's outstanding orderbook now stands at RM4.7 billion with RM796 million new order secured up to September 2021.