

SunCon in talks with potential JV partners in Myanmar, Indonesia

BY WONG EE LIN

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon), having expressed its intention to expand into Asean, said it is now in discussions with potential joint-venture (JV) partners in Myanmar and Indonesia, according to its managing director Chung Soo Kiong (*pic*).

"Currently, we're looking quite seriously into Myanmar and Indonesia ... We need a long-term strategic partner. It will depend on the opportunity and we will have to understand and study our partners and the risks of [the respective] countries," said Chung after the group's corporate presentation briefing here yesterday at Invest Malaysia 2018.

He said SunCon will only be looking at specialised buildings such as hospitals and infrastructure jobs, for its push into Asean.

He also said the group is upbeat about the construction industry in 2018 due to the upcoming railway projects. "Personally, for 2018, all construction players have very good order books; we are all at the peak."

Chung said SunCon is bidding for a few upcoming jobs such as the East Coast Rail Link and the Kuala Lumpur-Singapore High-Speed Rail.

Meanwhile, SunCon needs to focus on how to deliver the jobs it has on hand now, Chung added. "It is also the time for us to be more productive on the operational side."

Currently, SunCon's order book stands at RM6.8 billion, which would last the company for about three years. It is bidding for about RM1.5 billion to RM2 billion worth of jobs this year.

Chung, expecting a few more "new orders to come in" soon, also noted "this year, many people are expecting us to get RM2.5 billion in revenue", without elaborating. SunCon's revenue came in about RM1.8 billion for the financial year ended Dec 31, 2016 (FY16).

For the group's pre-cast segment, Chung said SunCon is targeting a revenue of about RM300 million for FY18. For the nine-month period of 2017, its pre-cast segment reported a revenue of RM118.5 million.

SunCon shares fell one sen or 0.4% to RM2.48 yesterday, with a market capitalisation of RM3.22 billion.



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