

## Suncon secures 67 pct FY19 target

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) reported that it has secured 67 per cent of its targeted order book replenishment of RM1.5 billion for the financial year ending Dec 31, 2019 (FY19) in its first quarter.

This brings its outstanding order book to RM5.7 billion, providing good earnings visibility for the group for the next two years, the company said in a statement on Thursday.

Of the RM1.0 billion worth of new projects secured, 10% of the new orders are from its parent company, Sunway Bhd.

"Moving forward, we are confident we will sustain our performance through the year and meet our targeted order book replenishment through our expansion strategy into ASEAN and India, and good prospects presented by Sunway Bhd's plans to expand its healthcare division," said SunCon managing director Chung Soo Kiong.

"We have signed a memorandum of understanding with Capital Diamond Star Group in April in Myanmar, have tendered for three rail and road projects in India, and ventured into piling in Sin-

gapore. With these prospects, we look to mitigate the effects of the current review period that the local industry is undergoing," he added.

For its first quarter of 2019 ended March 31, 2019, SunCon reported a revenue of RM440.0 million and a profit before tax of RM40.1 million, compared to revenue of RM529.2 million and restated profit before tax of RM43.6 million in the corresponding quarter of the preceding financial year with improvements in profit before tax margin to 9.2 per cent from the previous 8.3 per cent.

Its construction segment reported revenue of RM407.0 million and profit before tax of RM40.0 million compared to revenue of RM492.1 million and restated profit before tax of RM40.0 million in the corresponding quarter of the preceding financial year.

The lower revenue in the current quarter was due to Parcel F, Putrajaya which was substantially completed this quarter, coupled with a delay in both the light rail transit (LRT) and mass rapid transit (MRT) projects due to cost optimisation of station works in both packages. -Bernama