



In a filing to Bursa Malaysia today, Sunway Construction Group Bhd says the improved net profit was due to higher contribution from its precast segment.

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KUALA LUMPUR: Sunway Construction Group Bhd's (SunCon) net profit increased 26.6 per cent in the fourth quarter (Q4) ended December 31, 2018 to RM36.57 million from RM28.89 million recorded in the same quarter a year ago.

In a filing to Bursa Malaysia today, the company said the improved net profit was due to higher contribution from its precast segment.

Revenue for the same quarter eased 16.3 per cent to RM626.02 million from RM748.17 million, due to lower revenue contribution from its construction segment.

The lower revenue recorded from its construction business during Q4 was due to completion of project in the building division namely Putrajaya Parcel F project which will be handed over in Q1 2019.

For the financial year 2018, SunCon's net profit increased 9.4 per cent to RM144.69 million from RM132.29 million, while revenue grew 8.7 per cent to RM2.26 billion from RM2.08 billion.

The group has declared a second interim single-tier dividend of 3.5 sen per ordinary shares for the financial year ended December 31, 2018.

The dividend will be paid on April 17, 2019.

Further, SunCon said it has secured RM1.6 billion new order book for the year ended 2018.

It said it is targeting RM1.5 billion new order in 2019. To-date, the company has bagged RM781 million order which comprise of the proposed TNB Campus, Bangsar Kuala Lumpur, bringing its outstanding book to RM6 billion.

SunCon said while there have been various decisions by the government to reduce cost, to cancel and to put on hold certain mega projects as an on-going effort for debt rationalisation, there are still pockets of opportunity in Malaysia with the Large Scale Solar 3 (LSS3) worth about RM2 billion, development of hospital by Malaysian Public Works Department (JKR) worth RM29 billion and the Subang Aerotech Park by Khazanah Nasional Bhd.

Besides that, it said the group will be mitigating the anticipated slowdown in the local construction growth from its proposed overseas expansion in the Asean region coupled with in-house projects by its holding company, Sunway Bhd.

"Our parent company is now on an aggressive stance to expand its medical centre and developing its Penang and Seberang Jaya land bank.

"Despite the subdued mood surrounding the construction sector, we are confident on SunCon's prospect for year ending 2019," it said.

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