

# SunCon optimistic about construction sector

**PETALING JAYA:** Sunway Construction Group Bhd (SunCon) is optimistic in sustaining its improved financial performance in 2021.

This will be supported by encouraging Covid-19 vaccination rates and the rejuvenation of construction activities once lockdown measures are eased, it said.

SunCon told Bursa Malaysia that its outstanding order book now stands at RM4.8bil (March 2021: RM5bil), with RM620mil new orders secured up to June 2021.

"After obtaining financial close for both our India projects in May 2021, we have been given the start of work for roadworks in Meensurutti Chidambaram, Tamil Nadu, on Aug 9, 2021," it said.

On its prospects, SunCon said the revival of mass infrastructure projects such as the Mass Rapid Transit Line 3 set a strong catalyst for

the local construction sector.

SunCon will continue to secure more projects overseas and focus on in-house pipeline projects by its immediate holding company, Sunway Group, as well as expanding its sustainable energy segment.

Meanwhile, in Singapore, the Housing and Development Board (HDB) has launched 4,989 flats for sale in August 2021 under the build-to-order (BTO) exercise. This stacks up to about 12,529 units of BTO flats launched to date in 2021.

HDB also expects to offer another 3,100 to 3,600 BTO flats in November 2021, in line with its target of 17,000 units in 2021.

SunCon said Singapore HDB flats comprised of more than 90% of its precast segment sales and its prospect is largely dependent on these launches.

With its integrated construction and pre-

fabrication hub plant scheduled to be in operations by the second half of 2022, SunCon expects its precast segment will contribute more to the group's financials in the near future.

The group's net profit rose 280% year-on-year to RM8.3mil for its second quarter ended June 30, 2021, while revenue jumped 168% to RM375.3mil due to higher contributions from both its construction and precast segments.

For the first half-year under review, net profit rose 54% year-on-year to RM28.6mil while revenue was 64.1% higher to RM830.5mil.

Earnings per share for the first half was 2.22 sen, compared with 1.44 sen a year ago.

The group has declared a first interim single-tier dividend of 1.25 sen per ordinary share, with the ex-date on Sept 9 and payment date on Sept 29, 2021.