

(Updated)

Sunway Construction secures letters of intent for RM385m solar PV jobs

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KUALA LUMPUR (Dec 27): Sunway Construction Group Bhd (SunCon) has secured two letters of intent for jobs worth RM385 million in total for the design, engineering, procurement, construction, testing and commissioning of solar photovoltaic (PV) energy generating facilities.

In a Bursa Malaysia filing on Monday (Dec 27), the group said it has received a letter of intent from Gopeng Bhd's wholly-owned subsidiary GBS Suria Sdn Bhd for the construction work of a solar PV energy generating facility (LSS4 Project 1) in Kampar, Perak for RM200 million.

The group highlighted the LSS4 Project 1 shall be completed and achieve the commercial operation date by the scheduled commercial operation date on Dec 31, 2023 as required by the Energy Commission of Malaysia.

Meanwhile, the construction group also has secured a similar construction work in Klang, Selangor for RM185 million (LSS4 Project 2) and said it shall be completed on Dec 31, 2023 as well.

"The LSS4 Project 1 and LSS4 Project 2 are expected to contribute positively to the earnings of SunCon Group for the financial year ending Dec 31, 2022 (FY22).

"The total new projects awarded this year including the LSS4 projects amounted to RMI.47 billion.

"The LSS4 projects are subject to normal construction risk of material price fluctuation. However, with the past experience and expertise of SunCon in construction projects, this risk could be mitigated," it said.

SunCon added that the LSS4 Project 1 is a recurrent related party transaction by virtue of SunCon director Tan Sri Chew Chee Kin also being a director of Sunway Bhd and Gopeng Bhd as well as in several subsidiaries of Sunway Bhd.

Meanwhile, in a separate Bursa Malaysia filing, the group announced that it has revised the contract sum of the construction of commercial mixed development (CP2) in Bandar Sunway to RM755.72 million from the original contract value of RM463.17 million.

It also mentioned that the revised completion date of the CP2 project would be on July 15, 2024 from the previous deadline of Dec 14, 2023.

At noon break, shares in SunCon settled three sen or 1.97% higher at RM1.55, giving it a market share of RM1.97 billion.