

THE EDGE PROPERTY - 30 AUGUST 2017

<https://www.theedgeproperty.com.my/content/1196794/sunway-may-hop-tech-bandwagon-eyes-ma-core-biz>

(PR VALUE - 6,000)

Sunway may hop on tech bandwagon, eyes M&A for core biz

KUALA LUMPUR (Aug 30): Sunway Bhd, which has earlier appointed Datuk Seri Idris Jala to co-chair the now a trading/services company, is scanning to identify new business avenues, possibly involving technology.

"Technology is part of them (new avenues considered), there are some disruptive technology that is coming, we are looking at how to embrace it to give us a competitive advantage", Sunway's president, Datuk Chew Chee Kin, told reporters today.

"It could be assisting the existing operations, or a completely new area, but we are still working on it," said Chew.

"We cannot just sit by and not do anything about it (disruptive technology), therefore we are also going into this area of technology to enable us to perform better," said Sunway's founder cum chairman, Tan Sri Dr Jeffrey Cheah.

He said the appointment of Idris could bring forth transformation in the group.

However, Cheah said the group is currently still negotiating on the aspects of the "new horizon", while strengthening its core and existing businesses.

On its core businesses, Cheah also hinted that the company may consider M&A for further expansion, but declined to elaborate on premature plans for any specific business segments.

"We are always looking to expand our core businesses," he said, "we will also look at mergers and acquisition if possible, instead of just organic growth."

Commenting on growth prospects of Sunway's construction division, he said the group is actively looking at regional markets of China, Indonesia and Myanmar.

Sunway added that it expected a reasonable amount of RM1.5 billion to RM2.5 billion of new construction orders, excluding in-house projects, judging from its annual tenderbook size of RM10 billion to RM15 billion on average, and a historical success rate of 10% to 20%.

Meanwhile, Chew said the "sunrise" medical business of the group will "definitely" see it listed in the next three to four years.

Cheah added that its planned hospitals in Sunway Damansara and Sunway Iskandar have just received approvals and may soon begin construction.

Cheah and Chew were speaking to reporters today after its extraordinary general meeting, along with co-chairman Idris, chief financial officer Chong Chang Choong, and managing director of Sunway's property development division, Sarena Cheah.

The counter closed one sen or 0.23% down today at RM4.34, for a market capitalisation of RM8.97 billion