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## SunCon 3Q net profit rises 18% on strong revenue contributions from construction, precast segments

Shazni Ong / [theedgemarkets.com](https://www.theedgemarkets.com)

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KUALA LUMPUR (Nov 22): Sunway Construction Group Bhd's (SunCon) net profit for the third quarter ended Sept 30, 2022 (3QFY22) rose 17.72% to RM22.72 million from RM19.3 million in the same period last year thanks to stronger revenue contributions from both its construction and precast segments.

Earnings per share during the quarter increased to 1.76 sen from 1.5 sen in the corresponding quarter, the construction firm's bourse filing on Tuesday (Nov 22) showed.

Quarterly revenue climbed 72.47% to RM469.25 million from RM272.08 million in the same period a year ago.

SunCon's construction segment reported a 63.8% increase in revenue to RM419 million from RM255.8 million in 3QFY21 with a better performance in the current quarter due to normalisation of works at full capacity pursuant to transition of the economy into the endemic phase. In the corresponding quarter last year, operations were under restricted conditions due to the Movement Control Order 3.0, and dependent on the progress of vaccination rates, said SunCon.

Meanwhile, revenue for the precast segment more than tripled to RM50.3 million for the quarter under review, from RM16.3 million in the same quarter of the previous year.

For the cumulative nine months ended Sept 30, 2022 (9MFY22), SunCon's net profit jumped 87.07% to RM89.54 million from RM47.86 million as 9MFY22 revenue grew 49.82% to RM1.65 billion from RM1.1 billion.

Looking ahead, SunCon foresees its precast segment will contribute more to the group's financials in the near future with the integrated construction and prefabrication hub plant targeted to be commissioned by December this year.

Additionally, SunCon's outstanding order book stood at RM4 billion with RM882 million worth of new orders secured up to September.

In a separate statement, SunCon group managing director Liew Kok Wing said the group remains cautiously optimistic of registering a positive growth in FY22, supported by its strong existing outstanding order book.

"We are heartened that the outlook for the construction sector in Malaysia is making reasonable headway in mega infrastructure investments as well as increased demand in e-commerce, cloud computing and microchips that has given rise to the need for more factories, warehouses and data centres amidst gradual easing of foreign labour shortage," he added.

SunCon's share price settled two sen or 1.38% lower at RM1.43 on Tuesday, bringing the group a market capitalisation of RM1.85 billion.

*Edited by Kamarul Azhar Azmi*