

KUALA LUMPUR (May 22): Sunway Construction Group Bhd's (SunCon) net profit fell 19.38% to RM27.83 million or earnings per share of 2.16 sen in the first quarter ended March 31, 2023 (1QFY2023), from RM34.52 million or 2.68 sen per share a year before, on the back of lower contribution from its construction segment.

Quarterly revenue dropped 16.41% to RM522.13 million, from RM624.66 million.

The group did not declare any dividend for the quarter under review.

Sunway Construction group managing director Liew Kok Wing said the group replenished a new order book worth RM1.28 billion in 1QFY2023, representing 64% of its FY2023 target new order book.

"We are cautiously optimistic in registering positive growth for FY2023 supported by our existing outstanding order book. The outstanding order book increased to RM6 billion as at March 31, 2023, providing strong earnings visibility to the group," he added.

For the quarter under review, the construction segment recorded lower revenue of RM469.1 million and profit before tax (PBT) of RM36.2 million, as compared to revenue of RM587.8 million and PBT of RM46.2 million in the same quarter in the previous year.

It said revenue and PBT were higher

SunCon 1Q net profit down 20% on lower contribution in construction segment

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in 1QFY2022 due to the acceleration of construction progress to achieve project completion in the first half of 2022. In addition, project progress for the existing active projects has not picked up given that these projects are in the initial stage in the current quarter.

Meanwhile, its precast segment registered higher revenue of RM53 million in 1QFY2023, compared to RM36.9 million in the same quarter last year. PBT increased in tandem to RM1.3 million in 1QFY2023, from RM1 million a year ago.

It said the improvement in the precast segment's financial performance was buoyed by higher progress achieved for new projects.

Shares of SunCon settled unchanged at RM1.72, giving the group a market capitalisation of RM2.22 billion.