

SunCon ops normalised to pre-Covid level

CONSTRUCTION

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SunCon group managing director Chung Soo Kiong (pic) said the group is also actively exploring the renewable energy sector with a focus on solar projects and district cooling systems

PETALING JAYA: Sunway Construction Group Bhd's (SunCon) revenue for its third quarter ended Sept 30, 2020 grew to RM419.41mil from RM402.58mil in the previous corresponding period.

In a statement, the company said the leap in the sequential financial performance reflected that operations have normalised to pre-pandemic level.

Meanwhile, net profit in the third quarter ended Sept 30, 2020 stood at RM24.04mil from RM33.48mil.

SunCon said its construction segment reported revenue of RM403.4mil and pre-tax profit of RM34.8mil, compared with revenue of RM137.2mil and pre-tax profit of RM5.8mil in the immediate preceding quarter.

"Both revenue and profit saw an increase this current quarter compared with the immediate preceding quarter as the immediate preceding quarter saw 2.5 months of non-activity period from the movement control order (MCO) and recovery MCO

The precast segment reported revenue of RM16mil with pre-tax profit of RM1.2mil, compared with revenue of RM3mil with pre-tax loss of RM3.5mil in the immediate preceding quarter.

"There was significant improvement in current quarter result compared with the immediate preceding quarter as more projects were allowed to commence operations in Singapore following the lifting of circuit breaker measures during this current quarter," the company said.

For the nine-month period ended Sept 20,2020, SunCon's net profit stood at RM42.59mil from RM97.69mil in the previous corresponding period, while revenue stood at RM925.42mil from RM1.28bil a year earlier.

The group has recently announced the award of two new projects for its second India HAM job and solar rooftop project with total combined contract value of RM333mil.

"With these new awards, SunCon's new order book expanded to RM2.3bil and has exceeded its RM2bil target in new orders for 2020."

Moving forward, the group said it would continue to expand overseas and take on in-house pipeline projects by the Sunway Group for a sustained growth.

SunCon group managing director Chung Soo Kiong said the group is also actively exploring the renewable energy sector with a focus on solar projects and district cooling systems.

"To date, all our sites in Malaysia as well as Singapore are back to normal. We will continue to practice stringent precautionary measures in compliance with the guidelines by the Health Ministry.

"Apart from that, we will cautiously monitor our operational expenditure to boost our profit margins. With the group's strong cash reserve and stringent cost-control measures, we are confident that the group will remain resilient to steer through the challenging period."