

SunCon Q3 net profit at RM24m

PETALING JAYA: Sunway Construction Group Bhd (SunCon) posted a net profit of RM24.04 million for the third quarter ended Sept 30, 2020, a 28.19% decline from RM33.48 million in the previous corresponding quarter while revenue rose 4.2% to RM419.4 million, from RM402.58 million due to the construction segment.

For the nine-month period, the group saw a net profit of RM42.59 million from RM97.69 million previously, while revenue declined to RM925.42 million from RM1.28 billion a year before, due to both construction and precast segment.

The construction segment was impacted by the more than 2.5 months of non activity period (March 18 to May 31 2020) due to pandemic. The precast segment posted a loss as its operations were hampered due to inability to operate for most of the second quarter of 2020 and less than 50% efficiency in the third quarter 2020 as the Manpower Ministry only allowed gradual reopening of projects.

Included in the loss is the fair value loss of interest rate swap of RM1.9 million due to the unexpected lower SOR (Singapore Offer Rate) as a result of the pandemic.

Looking ahead, the group said based on its achievements to date, the group is optimistic with the recovery of the industry after the movement control order in Malaysia.