

SunCon wins RM175m jobs

Group targets orderbook of RM2bil this year

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon), which posted a net profit of RM16.35mil in the first quarter ended March 31, has won two contracts worth RM175mil.


The projects involved Sunway International School's new campus worth RM121mil and the mechanical, electrical and plumbing works for Chan Sow Lin-Klang Valley Mass Rapid Transit underground station worth RM54mil, which are expected to be completed in two years and one year, respectively.

In a filing with Bursa Malaysia, the group said that as at March 31, its outstanding orderbook stood at RM5.4bil and it is targeting to increase the figure to RM2bil this year.

In the first quarter ended March 31, SunCon had also secured a 36.75km highway project worth RM508mil in India.

Meanwhile, SunCon's net profit fell 47.2% to RM16.35mil in the first quarter from RM31.01mil a year ago, dragged by its construction segment.

Its revenue was down 16.8% to RM365.82mil



Battling Covid-19

in the quarter from RM440.03mil in the corresponding period a year ago due to lower turnover from its construction segment.

"The construction segment reported a revenue of RM329.6mil and a pre-tax profit of RM20.4mil compared to a revenue of RM407mil and a pre-tax profit of RM40mil in the corresponding quarter of the preceding financial year.

"The lower revenue in the current quarter was due to the impact of two weeks of movement control order (MCO) that was effective March 18 to June 9," the group said.

However, managing director Chung Soo Kiong is optimistic to weather through this

CONSTRUCTION

challenging period with the group's strong net cash position and stringent cost-control measures.

"SunCon will continue with its strategy to expand overseas and focus on its in-house pipeline projects by its intermediate holding company, Sunway Group, for sustained growth," he added.

Although the MCO in Malaysia and Covid-19 circuit breaker in Singapore has impacted the group's operations in both construction and precast segments, SunCon hopes to minimise construction delays due to non-work activity of more than two months during the MCO and conditional MCO period as well as recover project progress.

"Precautionary measures will be strictly adhered to prevent the spread of the coronavirus and to ensure the physical safety of our workers at the construction site," it said.