

MANAGEMENT DISCUSSION AND ANALYSIS

Building Construction

Civil and Infrastructure

Foundation and Geotechnical Engineering


Mechanical, Electrical and Plumbing

Sustainable Energy

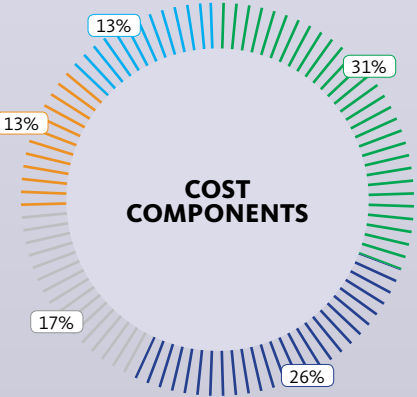
Manufacturing and Sale of Precast Concrete Products

Machinery Division

Virtual Design and Construction (VDC)



CIVIL AND INFRASTRUCTURE SERVICES



COST COMPONENTS

- Viaduct
- Preliminaries
- Station
- MEP Works
- Piling

Highway Projects


- > Total Length Constructed: **437 km**
- > Total Contract Value: **RM3.6 billion**

Rail & Mass Transit Projects

- > Total Length Constructed: **40.5 km**
- > Total Contract Value: **RM5.7 billion**

The civil and infrastructure division specialises in civil and rail infrastructure services and has vast experience in various roads, highways, airports and runways, bridges and rail transportation infrastructure projects over the last 40 years.

Some of the notable projects in our portfolio are the Kajang-SILK Highway, South Klang Valley Expressway (SKVE), Bus Rapid Transit Sunway Line (BRTSL), Mass Rapid Transit Line 1 - Package V4 (MRT1), Mass Rapid Transit Line 2 - Package V201 & S201 (MRT2), Light Rail Transit (LRT) - Kelana Jaya Line, and LRT3 Package GS07&08. In addition, our track record also includes nine highway projects in India.



Meensurutti - Chidambaram Highway in Tamil Nadu, India

MANAGEMENT DISCUSSION AND ANALYSIS

With the continuing recovery of the post-Covid economy, operating conditions returned to pre-pandemic levels in FY2023. However, the Malaysian construction sector still faced challenges such as the delay in rollout of mega infrastructure projects, elevated building material prices and raw material supply disruptions. Despite these challenges, SunCon continued to deliver solid progress on its ongoing civil and infrastructure projects, and has made further strides in growing its order book.

In Malaysia, we successfully completed the LRT3 Package GS07&08 project during the year with testing, commissioning and power turn on targeted by 2025. The alignment stretches from Kawasan 17 to Taman Sri Andalas, Klang, and includes the construction of 9.2 km of viaducts and 6 stations.

Apart from that, we also completed the remaining work scope for Package GS06 as part of the variation order to Package GS07&08 with testing, commissioning and power turn on targeted by 2025.

Building on our strong track record, in March 2023 SunCon was successfully awarded the Rapid Transit System (RTS) Link Package 1B and Package 5 project from Mass Rapid Transit System Sdn Bhd. The project stretches from Johor Bahru in Malaysia to Woodlands in Singapore for RM605 million. Package 1B entails advance works for station and viaducts, while Package 5 is for terrestrial viaducts and ancillary structures. Construction on the project commenced in the second half of 2023, with completion targeted by the end of 2025.

On the international front, both of our highway projects in India saw further progress during the year. The Meensurutti - Chidambaram Highway (RM315 million) in Tamil Nadu has been substantially completed while the Thorapalli Agraharam - Jittandahalli Highway (RM508 million) is targeted for completion by the end of 2024. Both projects were secured based on a hybrid annuity model (HAM) approach, which provides the project owners with a 15-year repayment period for 60% of the contract sum.

WORKFORCE

Staff Force	2023	2022	2021
Male	207	131	208
Female	25	18	29
Total	232	149	237

Staff Category (%)	2023	2022	2021
Executive	33	35	31
Non-Executive	67	65	69



OUTLOOK AND PROSPECTS

Moving forward, SunCon will continue to ride on the wave of recovery with our full-fledged integrated capabilities ranging from turnkey, design and build, and EPCC to Private Finance Initiative (PFI).

With Malaysia poised to roll out mega infrastructure projects such as the MRT3 and Penang LRT in the year ahead, SunCon is keen to pursue the opportunities arising from the nation's development plan to replenish our order book. In addition, we will continue to explore new regional opportunities, including in the ASEAN region and India.

REVENUE MIX

