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## SunCon poised for RM1bil jobs from MRT Corp partnership

By **Faiqah Kamaruddin** - February 14, 2025 @ 2:35pm



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KUALA LUMPUR: Sunway Construction Group Bhd (SunCon), the construction arm of Sunway Group Bhd, is expected to secure some RM1 billion in contract value from the partnership between MRT Corporation and Sunway in Johor Bahru, according to analysts.

Sunway's subsidiary, Sunway Integrated Properties Sdn Bhd, has been granted development rights for the freehold land parcel by MRT Corp.

According to Kenanga Investment Bank Bhd, if 40 per cent of the project's RM2.6 billion development value is allocated for construction, SunCon could potentially secure contracts worth RM1.04 billion from the project.

"This will be Suncon's first contract win for financial year 2024 (FY24), against its financial year 2025 (FY25) job replenishment assumption of RM4.5 billion.

"With several data centre projects in the pipeline, including four tendered projects and one potential variation order from K2, we believe our job win assumption is achievable," it said.

Meanwhile, TA Securities said assuming construction costs make up 50 to 60 per cent of the total gross development value, this could translate into an additional order book opportunity of RM1.3 billion to RM1.6 billion.

The firm added that this could offer a potential boost to its order book.

"We view this acquisition positively, as it strengthens Sunway's foothold in Johor, where its landbank is currently concentrated in Iskandar Puteri.

"The addition of a prime transit-oriented development (TOD) site next to the Bukit Chagar rapid transit system station enhances Sunway's position in the state's property market, enabling it to leverage the rising demand for integrated transit-oriented developments.

"Moreover, Sunway's strong track record in TOD projects, exemplified by the success of Sunway Velocity in Cheras, gives it a competitive edge in shaping Johor Bahru's evolving urban landscape," it added.