

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)

MECHANICAL, ELECTRICAL AND PLUMBING SERVICES

5 ongoing projects in 2023
Total Contract Value:
▲ RM1.79 billion

- Major Equipment
- Material
- Manpower
- Preliminaries

SunCon provides mechanical, electrical and plumbing (MEP) services, and specialised engineering solutions as a fully integrated construction services business. The modus operandi for our mechanical, electrical and plumbing service is very much to complement the projects under the building construction and civil infrastructure service division in achieving the Green Building Index (GBI) as planned by our clients.

We are able to offer innovative, energy efficient and cost effective MEP solutions for purpose built or specialty projects. Our MEP expertise also includes Central Utilities Facilities, Green Buildings, Biotechnology and Data Centres, among others.

Chiller Plant room at Sunway Medical Centre Phase 4

MANAGEMENT DISCUSSION AND ANALYSIS

The rapidly growing demand for data centres and high-tech manufacturing facilities in Malaysia has provided opportunities for SunCon to grow its business with our extensive experience in MEP works for special purpose buildings to meet high standards of performance. Riding on this wave, SunCon's MEP division has continued to forge ahead during the year with significant progress made in this sector.

During the year, our MEP division has achieved steady progress on the RM1.7 billion data centre project in Sedenak, Johor. To date, we have completed the MEP works in stages based on the client's issuance of notice to proceed (NTP) including the TNB incoming power works, water reticulation works, sewerage and telecommunication works.

Another highlight of FY2023 was SunCon successfully securing our second data centre project in Sedenak, Johor. The project comprises 2 packages totalling RM291 million has commenced in late 2023 and is slated for completion by the end of 2024.

Virtual Design and Construction (VDC) also played a pivotal role in the projects, as it boosted the MEP division's coordination works for the specialised project requirements, reducing the amount of abortive work required.

Aside from that, MEP works for the Sunway Carnival Mall extension project and MEP works for guestroom renovations at Sunway Resort Hotel were both completed during the year. Ongoing projects include MEP works for the Oxley Towers project on Jalan Ampang, which is due for completion by the end of 2024, and the PNB 118 Package A and B project, to be completed in 2024.

WORKFORCE

Staff Force	2023	2022	2021
Male	125	109	115
Female	22	21	24
Total	147	130	139

Staff Category (%)	2023	2022	2021
Executive	85	85	82
Non-Executive	15	15	18

OUTLOOK AND PROSPECTS

The MEP division is gearing up for further market growth in the year 2024. As demand for advanced technology facilities increases, this will remain a key focus area for the Group through collaborations with new and existing joint venture partners. We will be looking at venturing extensively into Design for Manufacturing and Assembly (DFMA) to complement our current fast track projects as well as to align with ESG objectives.

The data centre sector yields many promising opportunities that the MEP division is highly equipped to deliver on, given that the projects tend to involve highly technical and specialised MEP requirements.

The growing semiconductor industry also has the potential to provide SunCon with new business opportunities moving forward. Among other strategies, we plan to recruit related field specialists and engineers in order to further strengthen our technical services.

As SunCon furthers its sustainability journey, we will continue to adopt more energy-efficient technologies in our projects, which will contribute to lower greenhouse gas emissions and environmental pollution.

REVENUE MIX

