

Pesona Metro seeks mid-size projects for growth

Company targets to boost revenue by 55% to RM400m this year, says MD

by P PREM KUMAR

CONSTRUCTION firm Pesona Metro Holdings Bhd aims to boost revenue by 55% to RM400 million this year, as the contractor aspires to get involved in more mid-size projects.

Pesona Metro registered a turnover of RM258.78 million for calendar year 2015, while net profit stood at RM11.69 million.

MD Wie Hock Beng told *The Malaysian Reserve* that the company is actively participating

in various infrastructure projects within the country, with a currently active tenderbook of RM1 billion.

"Annually, our tenderbook goes up to RM1.5 billion with a success rate between 15% and 20%," he said.

Pesona Metro currently has RM1.5 billion worth of projects in hand, including RM1.1 billion outstanding orderbook.

Wie said the nine projects would reflect the company's performance for the next two to three years.

Since the beginning of this year, Pesona Metro has secured three projects worth a total of RM521 million.

Non-ED and major shareholder Wie Hock Kiong said



Wie (left) and Hock Kiong speaking to journalists at the company's AGM in Kuala Lumpur yesterday

Pesona Metro, which specialises in road building, still has the capacity to take on new projects and would continue to explore new opportunities nationwide.

"We are about roads and building. As we beef up our orderbook, we realise that the size of the projects keep getting bigger, which is encouraging," he said, adding that

Pesona Metro is still not ready to venture into overseas construction projects.

Hock Kiong said Pesona Metro is also keen to acquire smaller construction-related businesses which could promise a stable recurring income to the group.

"We are looking for good ones which are in the construction sector. The business must be able to provide us recurring income. This would also be in line with our business strategy of ensuring sustainable growth."

"We will continue to explore recurring income business such as student hostels among other things."

He said the diversification will reduce the company's

dependency on the construction business which is cyclical.

Pesona Metro acquired SEP Resources (M) Sdn Bhd in early 2015 for RM29.15 million and purchased 90% equity interest in Selasih Asli Sdn Bhd in April last year for RM60 million.

SEP holds a 22-year concession valued at approximately RM600 million for managing and maintaining the Universiti Malaysia Perlis building on top of designing and developing the student hostels for RM129.8 million.

The project is expected to be completed this year and is expected to contribute positively to the group's recurrent long-term revenue upon completion.