

Headline : Salcon secures RM210m contract from PAAB

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PETALING JAYA (Sept 23): Salcon Bhd announced on Friday (Sept 23) that its wholly owned subsidiary Salcon Engineering Bhd has been awarded Package 3 for the design and construction of a residual conveyance and disposal system for the Langat 2 water treatment plant by Pengurusan Aset Air Bhd (PAAB).

According to a statement, the scope of the project includes the design and construction of a pipe conveyor of approximately 2,000m long from the water treatment plant to the residual storage shelter near Bukit Enggang Balancing Reservoir.

The project forms part of the proposed development of Langat 2 water treatment plant and water reticulation system in Selangor and Kuala Lumpur. The project is valued at RM209.95 million, and will commence on Oct 4 upon possession of the site.

“The award of the project is the testament of the solid confidence that PAAB as client has in Salcon’s strong track record and expertise in the local water industry, and we are confident of carrying out the project to successful completion,” said Salcon Engineering chief operating officer Jamiluddin Amini Sulaiman in the statement.

The project is to be undertaken over the next 27 months, and is expected to be completed in January 2025. It is expected to contribute positively to the earnings and net assets of the Salcon group for the financial years ending Dec 31, 2023 to 2025.

Note that Salcon is also one of the contractors for the construction and completion of the 1,130 million litres per day Langat 2 water treatment plant, which was completed in 2020.

Salcon closed unchanged on Friday at 17.5 sen per share on a thin volume of 156,600 units traded. At the level it was trading, Salcon is valued at a market capitalisation of RM177 million.