

CK looks to junta's projects

CH KARNCHANG HOPES TO TAKE UP TO 25% OF INFRASTRUCTURE WORK THIS YEAR

KWANCHAI RUNGFAPAISARN
THE NATION

CH KARNCHANG, a leading engineering and construction company, expects to snap up 20-25 per cent of the junta's urgent mass-transit and infrastructure projects worth about Bt150 billion this year.

"We have strong experience in such infrastructure and mass-transit projects, especially double-track railways, motorways and expressways," Prasert Marittanaporn, a senior executive vice president, said yesterday.

"We also agree with the National Council for Peace and Order on urgent development of local infrastructure and mass transit, as such projects would directly stimulate the overall economy and move the country forward. They will also generate employment."

The work would start contributing revenue to the group next year.

The company was sitting on a sizeable backlog of Bt104 billion from 18 projects as of the end of last quarter. Its income before interest, tax, depreciation and amortisation was running at Bt784 million in the quarter.

Ch Karnchang will sign a Bt5-billion construction contract for the Bang Pa-in Co-generation SPP (small power producer) project in October. It will also sign a Bt17-billion contract with the Laotian government by year-end for the devel-

opment of the Nam Bak hydropower plant. "We believe that [Thailand's] economy will become more active in the second half of this year, driven by the NCPO's launch of urgent mass-transit and infrastructure projects. Such concrete infrastructure development and the [economic] road map have also bolstered the confidence of individual investors in the country," he said.

Vorapote Uchupaiboonvong, executive vice president for accounting and finance, said the group last year started gearing up for possible involvement in any future development of mass transit and infrastructure.

"We have prepared ourselves in terms of personnel and technological issues. We have also readied ourselves in terms of financial status and the availability of cash on hand," he said.

The group last year sold 11 per cent of Thai Tap Water Supply and 8 per cent of Bangkok Metro Co. It has also listed its subsidiary CK Power on the Stock Exchange of Thailand. The proceeds are expected to improve the group's financial status for future investment.

Ch Karnchang had Bt3.4 billion in cash on hand as of the end of last quarter.

It expects about Bt30 billion in revenue this year, of which 60 per cent would be contributed by its development of the Xayaburi hydroelectric project in Laos.