



NEWS RELEASE

WCT Records RM68 million in Net Profit for FY2016

PETALING JAYA, Thursday, 23 February 2017 – WCT Holdings Berhad (WCT or the Group), a leading engineering and construction as well as property company, saw its revenue for the first 12 months ended 31 December 2016 jumped by a significant 16% to RM1.93 billion from RM1.67 billion recorded in the previous corresponding year. The rise in revenue was mainly the result of higher contribution from the domestic construction sector.

The Group's net profit for its 2016 financial year of RM68 million was lower compared to RM209 million a year ago. The decrease was due to the share of losses of a joint venture arising from the revaluation of its investment assets, lower unrealised foreign exchange gain and the recognition of notional finance cost on trade receivables pursuant to FRS 139.

Excluding the said share of losses of the joint venture, unrealised foreign exchange gain and recognition of notional finance cost, the Group's net profit for 2016 financial year would have been higher at RM100 million.

For the 4th quarter 2016, WCT recorded a net profit of RM4 million (Q4FY2015: net profit of RM59.19 million) on the back of a turnover of RM453 million (Q4FY2015: RM522 million).

Excluding the said share of losses of the joint venture, unrealised foreign exchange gain and recognition of notional finance cost, the Group's net profit for the 4th quarter 2016 would have been higher at RM 29 million.

Mr. Goh Chin Liong, Deputy Managing Director of WCT, said, "The Group's overall performance for our 2016 financial year was satisfactory after taking into account the challenging marco-economic conditions throughout the year."

WCT's Engineering and Construction Division recorded a revenue of RM1.57 billion for the financial year ended 31 December 2016, a 23% increase from RM1.28 billion in 2015. Meanwhile, the Group's Property Development and Investment and Management Division recorded a revenue of RM365 million (FY2015: RM390 million).

WCT has an outstanding construction order book of RM5.3 billion and unbilled sales of RM535 million as at 31 December 2016. In 2016, the Group successfully secured approximately RM2 billion new contracts. “The Government’s continued emphasis on infrastructure development and spending in Malaysia have augured well for our Engineering and Construction Division. As this trend is expected to continue, we are optimistic that we can improve our overall construction margins as we move forward in 2017.”

“Moving forward, we expect the Group’s Property Development Division to continue to market its on-going property projects to sustain its performance. We also expect our Property Investment and Management Division to grow its investment assets portfolio as we target to open our Paradigm Mall Johor Bahru and the New World Hotel at Paradigm Petaling Jaya later this year,” he added.

According to Mr. Goh, WCT is undertaking a proposed placement of up to 125 million new ordinary shares of RM0.50 each in order to strengthen the Group’s overall financial position and to enlarge its equity base. “We will continue to embark on a number of corporate exercises such as fund raising and assets monetization in an effort to strengthen our current balance sheet. All in all, we are optimistic that we will be able to deliver yet another set of satisfactory results to our shareholders for this current financial year,” he concluded.

About WCT Holdings Berhad

Founded in 1981, WCT was listed on the Bursa Malaysia in 1995. Currently with 2,000 employees and presence in six countries, WCT is an investment holding company involved in engineering and construction, property development and investment & management activities. Its engineering and construction expertise covers F1 racing circuits, airports, dams and water supply schemes, expressways and highways, civil works, interior fit-out works and buildings. The company’s property development and investment & management portfolio includes townships, luxury homes, high-rise residences, industrial properties, offices, integrated commercial developments, concessions, hotels and shopping malls. WCT owns and operates Première Hotel, Klang and owns 3 shopping malls – Bukit Tinggi Shopping Centre in Klang, Paradigm Mall in Petaling Jaya, and the integrated complex – gateway@klia2 in Sepang, Selangor. The modern gateway@klia2 is the Group’s third retail project and is part of the long-term concession with Malaysia Airport Holdings Berhad. WCT currently has a land bank of approximately 924 acres in Malaysia. For more information about WCT, please visit www.wct.com.my.