



NEWS RELEASE

WCT Group soars in Q1FY21

RM444 million revenue, RM65 million profit reflects resilience

PETALING JAYA, Thursday, 27 May, 2021 – WCT Holdings Berhad (“the Group”), an investment holding company with businesses in engineering and construction, property development and investment in and management of retail malls and hotels, recorded a higher revenue of RM444 million for its first quarter ended 31 March 2021 (“Q1FY21”) as compared to RM363 million in the preceding year’s corresponding quarter, 31 March 2020 (“Q1FY20”), reflecting the Group’s resilience amidst the Covid-19 pandemic.

The Group’s profit attributable to equity holders for the period leapt to RM65 million as compared to loss attributable to equity holders of RM0.017 million registered in the preceding year’s corresponding quarter.

The Group’s Engineering and Construction Division continues to show stable performance, contributing 52% to the Group’s consolidated revenue. In Q1FY21, revenue of RM231 million (Q1FY20:RM241 million) was recorded. Its operating profit surged to RM57 million from RM7 million in the preceding year’s corresponding quarter. The higher operating profit in the current quarter was mainly due to reversal of accrual on an unfavourable arbitral award amounting to RM48 million as a result of lower final settlement of the award.

In early 2021, the division successfully secured a contract worth RM136.7 million to undertake superstructure works of a 29-storey hotel and 13-storey office at The Exchange TRX and a main contract for the proposed extension and upgrading of the Sultan Ismail Petra Airport in Kelantan worth RM440.4 million. The recently secured new contracts have further strengthened the Group’s outstanding orderbook to approximately RM5.17 billion.

“Moving forward, we foresee the Engineering and Construction Division will continue to be the key contributor to our earnings. As we focus on project execution of our existing projects, we will continue to pursue new opportunities for engineering and construction jobs to replenish our strong outstanding order book,” said Dato’ Lee Tuck Fook, Group Managing Director.

Meanwhile, the Property Development Division and the Property Investment and Management Division, contributed 40% and 8% respectively to the Group's revenue. The Group's **Property Development Division** recorded higher revenue and operating profit of RM177 million (Q1FY20: RM74 million) and RM77 million (Q1FY20:RM24 million). **The Property Investment and Management Division**, however, posted a lower revenue and operating profit of RM37 million (Q1FY20: RM48 million) and RM18 million (Q1FY20: RM22 million) respectively. Property Investment and Management Division's lower revenue and operating profit were largely due to the adverse impact of the COVID-19 pandemic and business disruptions during the Movement Control Order ("MCO") implemented by the Government to curb the spread of COVID-19.

The Group reported basic earnings per share at 4.66 sen as compared to nil earnings per share recorded in the preceding year's corresponding quarter.

"Forging ahead, we are cautiously optimistic as we hope the rollout of vaccines in 2021 under the National Covid-19 Immunisation Programme, barring any unforeseen impediments, to lift market sentiments and stimulate demand for our property development offers and launches. We will persevere as the rollout of vaccines will eventually, in the near future, fuel the achievement of herd immunity, thereby underpinning the global economic recovery and supporting the safe reopening of borders. In the meantime, the surge in local infections is causing disruptions and uncertainties to the work and business volume of the Group," added Dato' Lee.

The expected recovery of Malaysia's 2021 Gross Domestic Product (GDP) of between 6% and 7.5% will be supported by the resumption of global and domestic activities, normalisation of labour market conditions, gradual improvement in consumer spending, continuation of large infrastructure projects, continued support from the government's targeted support and the vaccine rollout which is expected to be completed by end of this year.

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, dam and water supply scheme, expressways and highways, civil works, buildings and rail-based infrastructure works. The company's property development and investment & management portfolio includes townships, luxury homes, high-rise residences, integrated commercial developments, concession assets, hotels, and shopping malls. The Group owns five shopping malls/ centre – Bukit Tinggi Shopping Centre in Klang, the airport malls – gateway@klia2 and SkyPark Terminal in Selangor, Paradigm Mall in Petaling Jaya and Paradigm Mall in Johor Bahru. The Group also owns Première Hotel in Klang and New World Hotel in Paradigm Petaling Jaya. WCT currently has a land bank of approximately 820 acres in Malaysia. For more information about WCT, please visit www.wct.com.my.