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## ***NEWS RELEASE***

### **WCT registers net profit in Q2 amid pandemic impact**

**PETALING JAYA, 26 August 2020** – WCT Holdings Berhad (“WCT” or “the Group”), a leading engineering and construction as well as property company, recorded a lower revenue of RM375 million for its second quarter ended 30 June 2020 as compared to RM450 million in the preceding year’s corresponding quarter. The profit attributable to equity holders is RM7 million, recording a decrease from RM23 million reported in the preceding year’s corresponding quarter.

For the current year to date, despite registering higher revenue and profit from the Group’s property development activities, the Group registered lower revenue of RM738 million as compared to RM965 million registered in the preceding year and lower profit attributable to equity holders of RM7 million as compared to RM63 million in the preceding financial year corresponding period. The lower profit attributable to equity holders was partially due to lower income contributions from the Group’s construction and property investment activities during the movement control order (“MCO”) which came into effect on 18 March 2020 following the outbreak of the Covid-19 pandemic. For the period under review, the Company had also paid out distribution to the holders of the Perpetual Sukuk Musharakah amounting to RM18 million.

For 6 months financial period ended 30 June 2020, the Group’s Engineering and Construction Division registered operating profit of RM4 million (2Q FY2019: RM71 million) on the back revenue of RM507 million (2Q FY2019: 726 million). The lower operating profit and revenue were mainly due to the reduced construction activities during the MCO period and the revision in the expected margins of certain construction projects.

The Group’s Property Development Division recorded an improved revenue and operating profit of RM144 million for the 6 months financial period ended 30 June 2020 (6M FY2019: RM137 million) and RM49 million (6M FY2019 RM45 million) respectively. The higher revenue and operating profit were mainly due to improved sales performance and higher profit recognition from the Waltz Residences following the completion of the project during the period under review.

The Group's Property Investment and Management Division recorded lower operating profit of RM41 million (6M FY2019: RM50 million) on the back of revenue of RM87 million (6M FY2019: RM102 million). The decrease in operating profit and revenue were mainly because of the lower income earned from the Group's retail malls and hotel operations during the MCO period and due to the rental rebate granted to retail tenants.

**Dato' Lee Tuck Fook, Group Managing Director of WCT Holdings Berhad** said, "While the economic environment remains challenging due to the Covid-19 pandemic, WCT continues to remain resilient with contributions from our core business divisions. Our Engineering and Construction Division was the primary revenue contributor to the Group's performance as the Division accounted for 71% of the consolidated revenue for the current quarter. The recently secured building construction job worth RM1.2 billion for the superstructure works for Phase 2 of Pavilion Damansara Heights in March 2020 has further strengthened our outstanding order book of over RM5 billion."

"The Group's Property Development Division will continue its efforts to reduce unsold properties as well as divesting undeveloped lands to improve our operating cash flows. For our retail malls, we will continue to extend support to our tenants to ride through this challenging period. Meanwhile, we will continue to enhance our offerings and shopper experiences across all our retail malls. In August 2020, a new 35,000-square feet ESCAPE Challenge semi-outdoor park has opened at our Paradigm Mall Petaling Jaya offering exciting activities and obstacle courses such as rope courses, wall climbing, ziplines and flying trapeze." Dato Lee added.

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## **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](http://www.wct.com.my).