



NEWS RELEASE

WCT GROUP REMAINS CAUTIOUSLY OPTIMISTIC ON PROSPECTS WITH ITS RM5 BILLION OUTSTANDING ORDER BOOK

PETALING JAYA, Tuesday, 22 June 2021 – WCT Holdings Berhad (“WCT” or “the Group”), an investment holding company with businesses in engineering and construction, property development and investment in and management of retail malls and hotels is cautiously optimistic on prospects with its outstanding order book valued at approximately RM5 billion.

Following the recent effort in vaccinating 3,600 of WCT and its associates’ workforce, WCT is hopeful with its ability to resume construction works with stringent compliance to Standard Operating Procedures when the movement restrictions are lifted.

The recently concluded vaccination programme was administered via the Mobile Vaccination MYMedic@Wilayah Pilot Program under the jurisdiction of the Ministry of Federal Territories (“FT Ministry”) as part of the Group’s initiative to protect its workforce from the heightened risk of the COVID-19 virus. There are efforts to vaccinate more of its workforce in the near future. This will further boost the confidence of the Group.

At the fully virtual Annual General Meeting (“AGM”) held today, Dato’ Lee Tuck Fook, Group Managing Director of WCT said, “All resolutions tabled at the AGM today were duly approved by our shareholders which includes the final share dividend via a distribution of treasury shares on the basis of one (1) treasury share for every one hundred (100) existing ordinary shares held in the company.”

Commenting about the future prospects of the Group, Dato’ Lee added that the expected recovery of Malaysia’s Gross Domestic Product (GDP) for 2021 of between 6% and 7.5% will be supported by the resumption of both global and domestic activities, normalisation of labour market conditions, improvement in consumer spending, continuation of large infrastructure projects, and continued support from the government. This will contribute to the growth of the Group.

The Engineering and Construction Division will help strengthen the Group's financial position as it is expected to remain the key contributor to the Group's earnings. The division marked a good start to 2021 with two contract wins for the superstructure works of a 29-storey hotel and 13-storey office at The Exchange TRX valued at RM137 million; and the extension and upgrading of the Sultan Ismail Petra Airport, Kelantan worth RM440 million. The division will focus on its existing projects while pursuing new opportunities to replenish the order book.

The Group's Property Development Division will strengthen its marketing and sales effort to drive sales of the new property launches in Klang Valley, while reducing its unsold properties and divesting idle undeveloped lands to strengthen its operating cash flows position.

"Meanwhile, the recent surge in local infections is causing disruptions and uncertainties to the work and business volume of the Group. 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, will lift market sentiments and stimulate demand for our property development offers and launches and the eventual easing of travel restrictions that would drive footfalls to the malls and hotels", Dato' Lee added.

For the financial year ended 31 December 2020 ("FY2020"), the Group registered a slightly lower revenue of RM1.70 billion (FY2019: RM1.84 billion). The Group recorded a loss attributable to equity holders of RM214 million as compared to the RM27 million loss registered in the financial year ended 31 December 2019. Due to the COVID-19 pandemic and the disruptions to the Group's business operations during the Movement Control Order period, the value of the Group's investment properties, hotels, lands held for development and completed inventories were impaired by approximately RM173 million during the year. In addition, the Group shared an additional loss of joint venture arising from an unfavourable final arbitral award of approximately RM28 million. Excluding these one-off items, the Group's loss attributable to equity holders would have been lower at RM13 million.

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.