



NEWS RELEASE

WCT Q1 Profit Up 17% to RM38.3million

PETALING JAYA, Wednesday, 23 May 2018 – WCT Holdings Berhad (“WCT” or “the Group”), a leading engineering and construction as well as property company, announced today that it had registered a net profit of RM38.3 million for the first quarter ended 31 March 2018. This was 17% higher compared with RM32.8 million recorded in the same corresponding quarter last year.

Revenue for the current quarter was also higher at RM540 million compared with RM473 million recorded in the first quarter of the last financial year. The improved revenue was primarily attributed to the Group’s Engineering and Construction segment which accounted for 83% of the Group’s consolidated revenue.

Basic earnings per share for the financial quarter ended 31 March 2018 was at 2.71 sen, an increase from 2.62 sen for the corresponding quarter a year ago.

Dato’ Lee Tuck Fook, Group Managing Director of WCT, said, “We started the year with a healthy growth in our revenue and net profit in spite of the challenging macroeconomic landscape. Our continued focus on tapping the opportunities in the local infrastructure construction sector while growing our property development and investment business has contributed significantly to our performance for the quarter under review.”

For the financial quarter ended 31 March 2018, the Group’s Engineering and Construction Division remains as the primary contributor to the Group’s performance as it recorded an operating profit of RM59 million (1Q FY2017: RM30 million) on the back of revenue of RM446 million (1Q FY2017: RM383 million).

“Currently, all of our construction jobs are progressing well. Looking ahead, we are expecting our Engineering & Construction Division to continue to contribute strongly to the Group’s financial performance building on our strong outstanding order book of over RM5 billion comprising mainly higher margin civil and infrastructural works.”

The Group’s Property Development Division registered lower revenue and operating profit of RM56 million and RM9 million respectively (1QFY2017: RM74 million; RM11 million) mainly due to lower sales of existing unsold stock units.

Meanwhile, the Property Investment and Management Division recorded an operating profit of RM15 million (1QFY2017: RM8million) on the back of revenue of RM38 million (1QFY2017: RM15 million). Both the increase in operating profit and revenue were attributed to the opening of Paradigm Mall Johor Bahru in November 2017.

“For the remaining of 2018, we will continue to intensify our marketing and sales initiatives to improve sales of the Group’s existing unsold properties. Subject to market conditions, we envisage launching two new projects, namely Sapphire Residences at Paradigm Petaling Jaya and Paradigm Residences in Johor Bahru.

In the meantime, we will also continue to divest some of the Group's idle lands to realise some investment profits capitalising on the higher market value as compared to the original costs. The sale of such idle lands would also help us to better manage our gearing position." Dato Lee added.

"Paradigm Mall Johor Bahru is expected to provide a stable income stream to the Group in addition to our existing retail malls such as gateway@klia2 and Paradigm Mall Petaling Jaya. We also foresee the performance of Paradigm Mall Johor Bahru to continue to strengthen as we work on improving the occupancy and tenancy mix."

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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. Currently, WCT owns Première Hotel in Klang and New World Hotel in Petaling Jaya and also owns four shopping malls – Bukit Tinggi Shopping Centre in Klang, the airport mall – gateway@klia2 in Sepang, Selangor, Paradigm Mall in Petaling Jaya and Paradigm Mall in Johor Bahru. WCT currently has a land bank of approximately 854 acres in Malaysia. For more information about WCT, please visit www.wct.com.my.