



NEWS RELEASE

WCT 2017 Profit Jumps by 128%

PETALING JAYA, Monday, 26 February 2018 – WCT Holdings Berhad (“WCT” or “the Group”), a leading engineering, construction, and property company, registered a profit after tax of RM155 million for the year ending 31 December 2017. A significant jump from the RM68 million recorded in the previous year.

The Group recorded a revenue of RM579 million for the fourth quarter of 2017 as compared with a lower RM453 million in the corresponding quarter for 2016. A net profit of RM59 million was recorded, which was a boost as compared to RM4 million for the same quarter last year.

Dato’ Lee Tuck Fook, Group Managing Director of WCT, said, “The Group’s improved performance for the 2017 financial year was mainly due to stronger contributions from all three of our core business segments, namely Engineering & Construction, Property Development and Property Investment and Management. Engineering and Construction segment remains the core contributor to the Group’s revenue. We continue to concentrate on improving the margins from our on-going projects as well as better efficiencies along with improved cost management. The Group’s financial performance in 2017 is considered satisfactory, especially when we take the current economic condition into account.”

“We are also encouraged by the various efforts taken by the Government via the Budget 2018 proposals, where the construction industry will continue to be a direct beneficiary given the planned infrastructure projects spending. We look forward to the coming year and believe it will be a fruitful year for the Group,” he added.

The Engineering and Construction segment recorded a revenue of RM1.4 billion but incurred RM33 million in operating loss. The decrease in operating profit is attributed to the impairment of the amount due from a contract customer in Qatar amounting to RM165 million and an unrealised foreign exchange loss of RM20 million. Excluding this impairment loss and unrealised foreign exchange loss, our Engineering & Construction segment would have recorded operating profit of RM152 million.

Meanwhile, the Group’s Property Development and Investment and Management segment recorded a revenue of RM514 million (FY2016: RM365 million). The operating profit of this segment also went up from RM109 million to RM346 million mainly due to the better operating results from the Group’s property investment and management segment as well as fair value gains from the Group’s investment properties amounting to RM225 million.

The Group's basic earnings per share for the financial year 2017 has improved significantly to 11.29 sen from 5.50 sen previously.

Moving forward, the Engineering and Construction segment will continue to build on its strong order book having secured several new infrastructure contracts worth about RM2.0 billion in 2017. The Group expects construction margins to remain healthy given the higher proportion of infrastructure-related jobs in its order book.

Meanwhile, with a subdued proper market outlook, the Group will be cautious in launching new projects and will continue to intensify the sales of its existing property stocks. The Property Investment & Management segment is expected to provide a stable income stream for the Group. Paradigm Mall Johor Bahru which opened for business since November 2017, has started showing positive results, reaching an occupancy rate of 92% for the mall's 1.3 million square feet of net lettable space.

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. 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 950 acres in Malaysia. For more information about WCT, please visit www.wct.com.my.

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