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## ***NEWS RELEASE***

### **WCT Posts RM23 million Net Profit for Q2 2019**

**PETALING JAYA, 27 August 2019** – WCT Holdings Berhad (“WCT” or “the Group”), a leading engineering and construction as well as property company, announced today that it has delivered a net profit attributable to shareholders of RM23 million for its second quarter ended 30 June 2019 as compared to RM42 million in the preceding year’s corresponding quarter.

The Group’s revenue for the quarter was lower at RM450 million as compared to RM670 million in the corresponding quarter in 2018.

Cumulatively, the Group recorded a lower net profit of RM63 million for the first six months ended 30 June 2019 against RM80 million achieved for the first six months of last year while the Group registered revenue of RM965 million as compared to RM1.21 billion in the preceding year corresponding period.

For the first six months, the Group’s Engineering and Construction Division registered an operating profit of RM71 million (2Q FY2018: RM98 million) on the back of revenue of RM726 million (2Q FY2019: RM932 million). The lower revenue and operating profit were mainly attributable to some of the existing projects that are nearing completion and the newly secured jobs which are still in the early stages of construction.

The Group’s Property Development Division, meanwhile, recorded a lower revenue and operating profit of RM137 million (2Q FY2018: RM192 million) and RM45 million (2Q FY2018: RM47 million) respectively. The revenue and operating profit in the corresponding period in 2018 was higher mainly due to revenue and profit arising from the sale of undeveloped land in 2018.

The operating profits of the Group’s Property Investment and Management Division surged to RM50 million (2Q FY2018: RM36 million<sup>1</sup>) on the back of higher revenue of RM102 million (2Q FY2018: RM86 million). This marked improvement in the higher operating profit and revenue for the quarter were mainly contributed by the improved occupancy level of Paradigm Mall in Johor Bahru and higher rental income from Bukit Tinggi Shopping Mall in Klang.

Basic earnings per share for the six months period ended 30 June 2019 is recorded at 4.55 sen as compared 5.64 sen<sup>1</sup> recorded in the preceding year corresponding period.

**Dato’ Lee Tuck Fook, Group Managing Director of WCT Holdings Berhad said,** “The Group recorded a satisfactory financial performance for the first half of 2019 despite facing considerable external and domestic headwinds. Our Engineering & Construction Division has contributed positively to our performance, accounting for 75% of the Group’s consolidated revenue backed by a strong order book of RM5.9 billion. The Group will continue to pursue new opportunities for new construction jobs to replenish its order book.”

Lee added, “In the third quarter of this year, subject to market conditions, our Property Development Division plans to launch the Paradigm Residence in Johor Bahru. The serviced residence houses 263 units featuring four layouts, ranging from 530 sq. ft. to 1,123 sq. ft. The development will be part of a 13-acre integrated development that also includes the Paradigm Mall Johor Bahru and a 200-room hotel to be known as Hyatt Place Johor Bahru, that is set to open in 2022. Our Property Investment and Management Division aims to continue improving on the occupancy level and tenancy mix as well as enhancing our investment properties to stay relevant amidst the changing consumer behaviour and spending patterns. We are confident that the performance from this division is expected to contribute positively to the Group’s revenue and profit.”

(<sup>1</sup>The profits for Property Investment and Management Division of the preceding year corresponding cumulative period and quarter have been restated for purpose of comparative information, in compliance with MFRS16: Lease which has been adopted by the Group with effect from 1 January 2019.)

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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 830 acres in Malaysia. For more information about WCT, please visit [www.wct.com.my](http://www.wct.com.my).