



NEWS RELEASE

WCT's Q32018 Profit Driven by Construction

PETALING JAYA, Monday, 26 November 2018 – WCT Holdings Berhad (“WCT” or “the Group”), a leading engineering and construction as well as property company, recorded revenue and net profit of RM386 million and RM26 million for its third quarter ended 30 September 2018, driven mainly by construction activities.

Whilst the revenue and net profit for the corresponding quarter in the preceding year was higher at RM469 million and RM41 million respectively, on a cumulative basis, the Group recorded a higher net profit of RM108 million for the 9 months ended 30 September 2018 compared with RM95 million for the corresponding period last year, and a revenue of RM1.6 billion compared with RM1.33 billion achieved in the preceding year’s corresponding period. The improved revenue was mainly due to higher billings from the local infrastructure projects.

Basic earnings per share for the current year to date increased to 7.73 sen compared with 6.99 sen recorded in the preceding year corresponding period.

Dato’ Lee Tuck Fook, Group Managing Director of WCT, said, “WCT’s performance for the current year to date has been in line with our expectations amidst the challenging market conditions. Our Engineering & Construction Division continues to be the primary contributor, accounting for 78% of the Group’s consolidated revenue. This year, we have successfully replenished over RM2.3 billion worth of new construction jobs, raising our outstanding order book close to RM7 billion.”

For the current year to date, WCT’s Engineering and Construction Division recorded an operating profit of RM121 million (3Q FY2017: RM100 million) on the back of a revenue of RM1.24 billion (3Q FY2017: RM928 million).

Revenue from the Property Development Division was lower at RM225 million (3QFY2017: RM347 million) mainly due to lower property sales registered during the period, reflecting a weaker property market. Despite the lower revenue, the division recorded a higher operating profit of RM55 million (3QFY2017: RM47 million) due to land sales.

The operating profits of the Group’s Property Investment and Management Division surged to RM71 million (3QFY2017: RM24 million) on the back of higher revenue of RM132 million (3QFY2017: RM50 million), due to additional contribution from Paradigm Mall Johor Bahru.

“Looking ahead, we remain optimistic with the prospects of our Engineering & Construction Division and our current order book of RM7 billion will provide visibility to our revenue and earnings for the next 3 to 4 years.”

“We remain cautious in launching any new property projects moving forward and would focus our efforts primarily in reducing our inventory and improving operational cash flows.”

“As for our Property Investment and Management Division, we aim to further enhance our offerings and services to add new vibrancy to our existing malls as well as to improve shoppers' overall shopping experience. Paradigm Mall Petaling Jaya has recently completed the first phase of its Asset Enhancement Initiative (AEI) with new eateries such as Ah Cheng Laksa, Nam Heong Ipoh, Liang Sandwich Bar, Warung Mama, Ipoh Ais Kopi, Sushi King, Sukiya, Aroi Thai, Toastbox, I Love Yoo, Luvbite, Dum Dum Thai Tea, My Dimsum colors & wincaa, Yogu, as well as an upcoming food court at Level LG. We hope consumer spending picks up, especially towards the end of the year due to the festive season and school holidays, which would augur well for all our retail malls,” he said.

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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 five shopping malls – Bukit Tinggi Shopping Centre in Klang, the airport malls – gateway@klia2 and Subang Skypark in Selangor, Paradigm Mall in Petaling Jaya and Paradigm Mall in Johor Bahru. WCT currently has a land bank of approximately 853 acres in Malaysia. For more information about WCT, please visit www.wct.com.my.