



WELLCALL HOLDINGS BERHAD
PRESS RELEASE
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WELLCALL Net Profit Surged 66% to RM13 Million In 4QFY15

- FY15 net profit rose 41% to RM41.3 million
- Declared special interim single tier dividend of 2.3sen per share, or total of 9.2sen single tier dividend per share for FY15
- Recently commissioned new plant to further boost production capacity and enhance operational efficiencies

Lahat Ipoh, 24 November 2015: Wellcall Holdings Berhad ('Wellcall' or 'the Company') today announced its unaudited results for the fourth quarter of financial year ended 30th September 2015 ('FY15').

In the fourth quarter under review, the Company achieved revenue of RM38.3 million compared to RM37.4 million in the previous corresponding quarter of FY14. Profit before tax rose 8.7% year-on-year ('y-o-y') to RM11.5 million in the period, whilst net profit jumped 65.9% y-o-y to RM12.9 million partly due to tax write-backs from capital allowances on its new plant as well as better than expected utilisation of production capacity.

For the full year of FY15, Wellcall reported record high revenue of RM158.1 million, delivering 8% y-o-y growth. Profit before tax in the twelve-month period surged 25.7% y-o-y to RM48.5 million, whilst net profit grew 40.5% y-o-y to RM41.3 million.

Stronger FY15 performance was attributed to sustained demand growth for the Company's industrial rubber hose, as well as favourable foreign exchange gain and lower overheads from greater economies of scale in production. Export markets accounted for 91% of group revenue for the full year FY15.

The Board of Directors has also declared a special interim single-tier dividend of 2.3 sen per share, which adds up to a total single-tier dividend of 9.2 sen per share or a dividend payout ratio of 74% for FY15, compared to total single-tier dividend of 8.3 sen per share and a payout ratio of 94% in FY14.

Wellcall's operating cash flows remain strong, and its balance sheet healthy with a net cash position of RM18.9 million as at 30th September 2015.



Huang Sha, Managing Director of Wellcall, commented, “We have been successful in leveraging on our extensive customer network, improved productivity, quality services and our products range in delivering a better performance in FY15. We will continue to further enhance our competitive strengths in these areas to stay ahead of market trends. Our third plant has been completed and commissioned during the financial year. The additional capacity coming onstream will serve to sustain our longer term growth.”

“Global economy remains challenging and uncertain. Nonetheless, the current easing of raw material prices has enabled a more favourable environment in sustaining demand growth. Through further pursuit of automation and research, as well as marketing initiatives, we remain confident that we can continue to expand our diverse customer base and sustain demand growth for our products,” Huang added.

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About Wellcall Holdings Berhad

Incorporated in 1996, Wellcall Holdings Berhad (“Wellcall” or “the Company”) is the largest manufacturer of low and medium pressure industrial rubber hoses in Malaysia. The Company is engaged in the business of manufacturing mandrel and extrusion rubber hoses, catering to various application markets such as air & water, oil & gas, welding, automobile, ship building and food & beverages. Wellcall exports 90% of its products, covering more than 70 countries in Europe, the United States, Canada, Asia, Middle East, South America, Australia, New Zealand and Africa.

With the commissioning of the new plant, Wellcall currently operates at three plants located in Ipoh, Perak. The first plant is used for the production of Extrusion hoses, with total monthly capacity averaging 1.8 million Linear Meter per Shift (‘LMS’). The second plant is used for the production of Mandrel hoses, with total monthly capacity averaging 185,000 LMS.

Wellcall’s new plant, which was completed in July 2015, will have an initial monthly capacity of 94,000 LMS in Mandrel / Spiral hoses after its final testing phase.



Two Banbury compounding machines have also been installed into the new plant for compound mixing of raw materials. These machines will allow Wellcall to bring back compounding works which are currently outsourced, and in doing so, enable better control over quality of materials and cost savings.

Wellcall is led by an experienced management team with over 35 years of industry knowledge. Its operations are accredited by independent third party organisations for product quality assurance and recognitions such as SGS, Lloyd's Register, Flinders Cook, SIRIM QAS International, and Malaysia Rubber Board - testament to the quality and reliability of Wellcall's product range.

Issued on behalf of Wellcall Holdings Berhad by NRA Access Sdn Bhd.