



## **WELLCALL HOLDINGS BERHAD**

### **PRESS RELEASE FOR IMMEDIATE RELEASE**

#### **WELLCALL Pays Total Dividend Of 9.2sen For FY16**

- Achieved profit after tax of RM31.1 million from revenue of RM134.5 million for FY16
- Declared special interim single-tier dividend of 2.3sen for 4Q FY16; totals FY16 dividend of 9.2sen, or cumulative dividend yield of 5.0%
- Wellcall's operational strengths provide strong platform to capture potential recovery in global demand

**Lahat Ipoh, 28 November 2016:** Wellcall Holdings Berhad ('Wellcall' or 'Group'), manufacturer of low to medium industrial rubber hose, today announced its unaudited financial results for the fourth quarter ended September 30, 2016 ('FY16').

In the quarter under review ('4Q FY16') the Group achieved revenue of RM32.3 million, and profit before tax of RM9.1 million, compared to RM11.5 million registered in 4Q FY15. Profit after tax of RM7.8 million was lower compared to RM12.9 million in 4Q FY15, which included tax incentives from reinvestment allowances for Wellcall's new manufacturing plant that was completed in September 2015.

For the full financial year 2016, Wellcall posted revenue of RM134.5 million, and profit before tax of RM39.8 million. Profit after tax of RM31.1 million was lower compared to RM41.3 million recorded in FY15, which included RM5.1 million tax incentives for the new plant.

The Group's balance sheet remains solid, with total cash and cash equivalent of RM36.8 million as at September 30, 2016, and a net cash position of RM18.6 million.

For 4Q FY16, Wellcall declared a special interim single-tier dividend of 2.3sen per share, which brings the total single-tier dividend for FY16 to 9.2sen per share, translating to a dividend yield of 5.0%.



Huang Sha, Group Managing Director of Wellcall said, “Overall, it has been a satisfactory performance considering the softer demand for industrial rubber hose amidst a weak global economy. Nonetheless, the Group has not been resting on its laurels. With the new plant in place, we have had the opportunity to continue with our efforts to further improve our operational efficiencies, and sustain our competitiveness in the global market. The added capacity has also allowed us to upgrade our machineries in our existing plants without disruption to our production flows.”

Wellcall’s plant efficiencies have enabled the Group to sustain steady improvement in its gross profit margins, which rose from 25.3% to currently 38.3% over the course of the last 5 years.

Huang added, “Albeit that we remain cautious, we are also more encouraged by the outlook for the current financial year. Markets look to have stabilised and we are seeing a gradual recovery, underpinned by replacement demand and our success in growing our global customer base.”

“More than 90% of Wellcall’s industrial rubber hose sales are to export markets, which to a certain extent, is expected to benefit from the recent USD strength. With the added capacity from our third plant, Wellcall is ready to capitalize on demand recovery once global activities pick-up more convincingly, especially in the US,” he concluded.

[ Ends ]

---

**Contact Information:**

**Wellcall Holdings Berhad**

Gary Yu, Corporate Affairs Manager

Tel: +605 366 8805/06/07

Fax: +605 366 8768/9068

Email: [gary.yu@wellcall.com.my](mailto:gary.yu@wellcall.com.my)

**BCT Asia Associates Sdn. Bhd.**

Nicole Koh, Associate Director

Tel: +603 2163 3800

Email: [nicolekoh@bcta.com.my](mailto:nicolekoh@bcta.com.my)



### **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 more than 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.

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 BCT Asia Associates Sdn. Bhd.*