

WELLCALL HOLDINGS BERHAD DELIVERS STRONG EARNINGS WITH HIGHER GLOBAL DEMAND, AND SUSTAINS 15 YEARS STREAK OF DIVIDEND PAYMENTS

Kuala Lumpur, Tuesday, 21 February 2022 – Wellcall Holdings Berhad (“Wellcall” or “the Group”) is pleased to announce its financial performance for the first quarter ended 31 December 2021 (1Q FY 2022). In line with the strong financial performance, Wellcall declared a first single tier dividend of 1.4 sen per share for 1Q FY 2022.

Wellcall posted a total revenue of RM39.7 million and a profit before tax (PBT) of RM9.1 million for 1Q FY 2022, a decrease of 16.5% and 34.4% respectively, in comparison to the immediate preceding quarter’s (4Q FY 2021) revenue of RM47.5 million and PBT of RM13.9 million. The decrease in revenue and PBT were mainly resulted from rescheduling of deliveries as required by customers resulting from high freight costs.

Year-on-year, Wellcall’s revenue for 1Q FY 2022 was 11.7% higher than the RM35.5 million reported for 1Q FY 2021, due to the Group’s efforts in strengthening customer base through prompt deliveries and higher demand from the United States market. The Group’s PBT for 1Q FY 2022 was 15.8% lower than the RM10.8 million reported for 1Q FY 2021, mainly due to the global surge in freight cost arising from constraint in shipping schedules and increase in raw material costs.

“We are experiencing continuous recovery in orders from our satisfied customers. We continue to leverage on our customers’ network, productivity and competitive edge. In addition, the Group remains resilient and able to sustain its market share and positioning in this challenging sentiment that inherent with fluctuation of supply chain mechanism especially high freight and raw material costs during this pandemic environment. ” remarked Wellcall’s Group Managing Director, Huang Sha.

“We are very grateful for our supportive shareholders and have declared a dividend of 1.4 cents for this quarter. Since 2006, we have maintained a consistent track record of dividend payment and have paid out more than RM300 million of dividends till date. We remain dedicated to create long term value for our shareholders and sustain this consistent track record of dividend payout that has sustained, even during the Covid pandemic. We are confident in overcoming the business challenges ahead and continue delivering a consistent financial performance ahead.” added Huang Sha.

ABOUT WELLCALL HOLDINGS BERHAD

Wellcall Holdings Berhad is an investment holding company. Wellcall Group manufactures low and medium pressure industrial rubber hoses for customers involved in the business of distributing rubber hoses to original equipment manufacturers. Its products are categorised into two major types, i.e. mandrel hose and extrusion hose. Both the mandrel hose and extrusion hose cater for the various application markets and environment such as air, water, food, automobile, chemical and etc.



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