



WCT HOLDINGS BERHAD
(Company Number : 930464-M)
(Incorporated in Malaysia)

Date : 25 February 2016

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL
YEAR ENDED 31 DECEMBER 2015**

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WCT HOLDINGS BERHAD

(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2015**

(The figures have not been audited)

CONSOLIDATED INCOME STATEMENT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.12.2014) RM'000	CURRENT YEAR TO DATE (12 months to 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDING (12 months to 31.12.2014) RM'000
Revenue	522,186	322,422	1,667,920	1,662,222
Cost of sales	(480,570)	(293,927)	(1,467,169)	(1,428,635)
Gross profit	41,616	28,495	200,751	233,587
Other income	(4,292)	33,317	146,767	60,946
Other expenses	(6,048)	(12,714)	(29,779)	(27,383)
Administrative expenses	(23,102)	(21,067)	(76,582)	(72,845)
Finance costs	2,899	(15,679)	(57,808)	(60,233)
Share of profit after tax of associates	4,130	356	9,226	8,393
Share of profit after tax of joint ventures	68,889	2,148	78,982	6,989
	84,092	14,856	271,557	149,454
Income tax expense	(15,385)	193	(54,940)	(28,483)
Profit for the period	68,707	15,049	216,617	120,971
Attributable to:				
Equity holders of the Company	68,927	22,674	219,111	122,918
Non-controlling interest	(220)	(7,625)	(2,494)	(1,947)
Profit for the period	68,707	15,049	216,617	120,971
Attributable to equity holders of the Company :				
Basic earnings/(loss) per share (sen)	<u>5.77</u>	<u>2.04</u> ^	<u>19.22</u>	<u>11.04</u> ^
Fully diluted earnings/(loss) per share (sen)	<u>5.76</u>	<u>1.91</u> ^	<u>19.18</u>	<u>10.32</u> ^

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

^ Computed based on the number of share capital which were adjusted for the proportionate change in the number as if the rights issues of shares and bonus issue of warrants were issued on 1 January 2014.

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2015**

(The figures have not been audited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.12.2014) RM'000	CURRENT YEAR TO DATE (12 months to 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDING (12 months to 31.12.2014) RM'000
Profit for the period	68,707	15,049	216,617	120,971
Other comprehensive income:				
Currency translation differences arising from consolidation	34,128	8,400	67,589	7,094
Revaluation increase of land and building	37,603	-	37,603	-
Other comprehensive income for the period, net of tax	71,731	8,400	105,192	7,094
Total comprehensive income for the period	140,438	23,449	321,809	128,065
Total comprehensive income for the period attributable to :				
Equity holders of the Company	142,741	28,763	319,141	127,358
Non-controlling interest	(2,303)	(5,314)	2,668	707
	140,438	23,449	321,809	128,065

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	AS AT CURRENT QUARTER 31.12.2015	AS AT FINANCIAL YEAR ENDED 31.12.2014
	UNAUDITED RM'000	AUDITED RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	288,359	235,656
Land held for property development	1,145,253	991,553
Investment properties	882,987	737,813
Investment in associates	149,659	132,361
Investment in joint ventures	514,384	395,384
Trade receivables	1 698,723	653,928
Other receivables	1 360,931	300,215
Due from related parties	12,119	9,919
Deferred tax assets	11,453	21,445
	<u>4,063,868</u>	<u>3,478,274</u>
<u>Current assets</u>		
Property development costs	540,936	423,173
Inventories	153,858	90,710
Trade receivables	929,774	876,644
Other receivables	226,148	167,643
Due from related parties	146,626	214,999
Tax recoverable	36,610	24,730
Cash and bank balances	524,337	950,841
Assets classified as held for sale	139,930	-
	<u>2,698,219</u>	<u>2,748,740</u>
TOTAL ASSETS	<u>6,762,087</u>	<u>6,227,014</u>
EQUITY AND LIABILITIES		
<u>Equity attributable to equity</u>		
<u>holders of the Company</u>		
Share capital	600,410	546,276
Share premium	2,228,460	2,174,151
Reserves	(197,542)	(458,781)
Treasury shares, at costs	(10,765)	(27,266)
	<u>2,620,563</u>	<u>2,234,380</u>
Non-controlling interest	36,844	52,762
Total equity	<u>2,657,407</u>	<u>2,287,142</u>

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (Cont'd.)

		AS AT CURRENT QUARTER 31.12.2015	AS AT FINANCIAL YEAR ENDED 31.12.2014
		UNAUDITED RM'000	AUDITED RM'000
EQUITY AND LIABILITIES (Cont'd)			
<u>Long-term liabilities</u>			
Trade payables	2	132,082	89,379
Other payables	2	389,091	328,370
Borrowings		2,072,836	1,846,400
Deferred tax liabilities		44,671	35,400
		2,638,680	2,299,549
<u>Current liabilities</u>			
Trade payables		760,631	835,482
Other payables		175,715	207,529
Borrowings		520,410	584,112
Tax payable		9,243	13,200
Liabilities classified as held for sale		1	-
		1,466,000	1,640,323
Total Liabilities		4,104,680	3,939,872
TOTAL EQUITY AND LIABILITIES		6,762,087	6,227,014
Net asset per share (RM)		2.20	2.07

(1) Included receivables of RM335 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(2) Included payables of RM335 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TO DATE 31.12.2015 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 31.12.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	271,557	149,454
Adjustments for:-		
Non-cash items	(77,519)	(1,180)
Non-operating items - financing	17,447	20,618
Non-operating items - investing	(100,169)	(9,434)
Operating profit before working capital changes	<u>111,316</u>	<u>159,458</u>
Net changes in assets	(527,935)	(654,457)
Net changes in liabilities	(2,999)	164,395
Cash flows used in operations	<u>(419,618)</u>	<u>(330,604)</u>
Interest paid	(115,238)	(80,424)
Interest received	40,361	39,615
Taxation paid	(60,393)	(58,826)
Net cash used in operating activities	<u>(554,888)</u>	<u>(430,239)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(29,676)	(2,754)
Investment Properties	(122,903)	(68,417)
Dividend received from associates	5,039	1,655
Refund of share application monies from associates	3,195	2,798
Redemption of cumulative redeemable preference shares from associates	7,787	4,369
Disposal of marketable securities	-	66,955
Withdrawal/(placement) in		
- FSRM account	-	102,274
- deposits in licensed banks	765	(4)
Net cash (used in)/generated from investing activities	<u>(135,793)</u>	<u>106,876</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from rights issue of shares	107,926	-
Proceed from share options exercised	393	156
Proceed from conversion of warrants	18	35
Purchase of treasury shares	(22,297)	(50,587)
Dividend paid to shareholders	(22,580)	(48,794)
Bank borrowings	141,961	498,302
Net cash generated from financing activities	<u>205,421</u>	<u>399,112</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(485,260)	75,749
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	944,482	867,524
Foreign exchange differences	46,392	1,209
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD *	<u>505,614</u>	<u>944,482</u>

* Cash & cash equivalents excludes deposits with maturities more than 3 months amounting to RM165,309.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT HOLDINGS BERHAD ("WCT" OR "THE COMPANY") (930464-M)
QUARTERLY UNAUDITED RESULTS OF THE GROUP FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2015**

**A EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS
("FRS") 134, INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings included in property, plant and equipment and investment properties which are stated at fair values.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

A2 Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following new Financial Reporting Standards ("FRSs") and Amendments to FRSs with effect from 1 January 2015.

FRSs, Amendments to FRSs and Interpretations

Description	Effective for annual periods beginning on or after
• Amendments to FRS 119: <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
• Annual Improvements to FRSs 2010–2012 Cycle	1 July 2014
• Annual Improvements to FRSs 2011–2013 Cycle	1 July 2014

The adoption of the above standards will have no material impact on the financial statements in the period of initial application.

A2 Changes in Accounting Policies (Cont'd)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework comprises Standards as issued by the International Accounting Standards Board ("IASB") that are effective on 1 January 2012. It also comprises new/revised Standards that will be effective after 1 January 2012. All other Standards under the FRS framework where no new/revised Standards that will be effective after 1 January 2012 will transition to MFRS Framework with no further amendments.

The MFRS Framework is to be applied to all entities other than private entities with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estates including its parent, significant investor and venturer ("Transitioning Entities").

On 8 September 2015, the MASB announced that the effective date of MFRS 15 Revenue from Contracts with Customers will be deferred to annual periods beginning on or after 1 January 2018.

As a result, the effective date for Transitioning Entities (TEs) to apply the Malaysian Financial Reporting Standards (MFRSs) will also be deferred to annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2018.

A3 Audit Qualification

There was no audit qualification in the auditors' report of the Company's previous financial statements for the financial year ended 31 December 2014.

A4 Seasonal Or Cyclical Factors

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

A6 Changes In Estimate

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter ended 31 December 2015.

A7 Changes In Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, resale, repurchase and repayment of debts and equity securities during the period under review.

Share buy back

The Company repurchased 15,427,100 ordinary share of RM0.50 each of its issued share capital from the open market, at an average costs of RM1.45 each. The total consideration paid for the share buy-back including transaction costs during the current financial quarter and cumulative financial quarter amounted to RM3.054 million and RM22.297 million respectively and were financed by internally generated funds. The shares bought back are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. During the current financial year, 10,745,734 and 11,826,465 treasury shares were distributed to the shareholders on 16 June 2015 and 9 October 2015 respectively on the basis of one (1) Treasury Share for every one hundred (100) ordinary shares of RM0.50 each held at the entitlement date on 26 May 2015 and 15 September 2015, fractions of treasury shares was disregarded.

	No of Treasury Shares '000	Treasury Shares RM'000
Balance as at 1 January 2015	14,966	27,266
Repurchased during the period	15,427	22,297
Distributed as dividend during the period	<u>(22,572)</u>	<u>(38,798)</u>
Balance as at 31 December 2015	<u>7,821</u>	<u>10,765</u>

None of the treasury shares held were resold or cancelled during the quarter under review.

A8 Dividends

Please refer to Explanatory Note B11.

A9 Segmental Information

	Engineering and construction RM'000	Property development RM'000	Property investment and management RM'000	Unallocated RM'000	Eliminations RM'000	Consolidated RM'000
12 months period ended 31 December 2015						
Revenue						
External	1,278,257	328,553	61,110	-	-	1,667,920
Inter segment	838,605	7,868	-	-	(846,473)	-
	<u>2,116,862</u>	<u>336,421</u>	<u>61,110</u>	<u>-</u>	<u>(846,473)</u>	<u>1,667,920</u>
Segment results						
Profit from operations	139,647	68,974	32,536	-	-	241,157
Finance costs						(57,808)
Share of profits of associates	-	-	-	9,226	-	9,226
Share of profits of joint ventures	-	2,246	76,736	-	-	78,982
Taxation						(54,940)
Profit for the period						<u>216,617</u>
Profit attributable to :-						
- Equity holders of the Company						219,111
- Non-controlling interest						(2,494)
						<u>216,617</u>
12 months period ended 31 December 2014						
Revenue						
External	1,210,582	391,722	59,918	-	-	1,662,222
Inter segment	723,992	7,682	-	-	(731,674)	-
	<u>1,934,574</u>	<u>399,404</u>	<u>59,918</u>	<u>-</u>	<u>(731,674)</u>	<u>1,662,222</u>
Segment results						
Profit from operations	85,786	73,529	34,990	-	-	194,305
Finance costs						(60,233)
Share of profits of associates	-	-	-	8,393	-	8,393
Share of profits of joint ventures	-	1,087	5,902	-	-	6,989
Taxation						(28,483)
Profit for the period						<u>120,971</u>
Profit attributable to :-						
- Equity holders of the Company						122,918
- Non-controlling interest						(1,947)
						<u>120,971</u>

A10 Non-current Assets Held for Sales

On 1 December 2015, WCT Land Sdn Bhd (“WCTL”) and Jubilant Courtyard Sdn Bhd (“JCSB”), a wholly-owned subsidiary of WCTL, which in turn is a wholly-owned subsidiary of WCT, had entered into a conditional subscription and shareholders agreement (“SSA”) with Sunrise Berhad (“Sunrise”) whereby WCTL and Sunrise will be cooperating and working together through JCSB as the special purpose incorporated joint venture company to develop the lands held by JCSB in the Mukim of Bandar Serendah, District of Ulu Selangor, Negeri Selangor.

Pursuant to the SSA, Sunrise shall subscribe for 1,000,000 new Ordinary Shares of RM1.00 each in JCSB (“Shares”) representing 50% of the enlarged issued and paid up share capital of JCSB for a total subscription consideration of RM214,880,743.00 and the subscription of Shares by Sunrise will result in a dilution of WCTL’s equity interest in JCSB from 100% to 50%. (“Proposed Dilution”). Pursuant to the Proposed Dilution, WCTL and Sunrise will have equal proportion of interest i.e. 50% each in JCSB. Hence, JCSB will cease to be a subsidiary of WCTL and the Company upon completion of the SSA.

In accordance with FRS 5 : Non-current Assets Held for Sale and Discontinued Operations, the deemed disposal of 50% equity interest in JCSB is classified as Assets and Liabilities held for sale as at 31 December 2015.

The major classes of assets and liabilities held for sale as at 31 December 2015 are as follows:

	RM'000
ASSETS	
Land held for property development	139,901
Cash and bank balances	29
Assets classified as held for sale	<u>139,930</u>
LIABILITIES	
Other payables	1
Liabilities classified as held for sale	<u>1</u>

A11 Carrying Amount Of Revalued Assets

During the period under review, certain investment properties and property, plant and equipment were revalued which results in an increase of approximately RM58 million.

Save as disclosed above, the valuations of other investment properties and property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2014.

A12 Subsequent Material Events

There were no material events subsequent to the reporting period up to 19 February 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) which have not been reflected in the financial statements for the quarter under review.

A13 Effect Of Changes In The Composition Of The Group

- (i) On 8 March 2015, WCT Berhad, a wholly-owned subsidiary of the Company, via a joint venture with Al-Ali Projects Co (W.L.L.) has accepted a contract from Lusail Real Estate Development Company for all the works relating to Contract No. CP07-C-1B – Commercial Boulevard Road D3, Road A4, Internal Roads, Utilities and Underground Car Parks 2, 3, 4 and 5 for Lusail Development Project in Doha, Qatar.

The Joint Venture is an unincorporated joint venture between WCTB and Al-Ali Projects Co (W.L.L.), a company incorporated in Qatar. The rights and liabilities of WCTB and Al-Ali Projects Co (W.L.L.) in the joint venture are in the ratio of 70:30.

- (ii) On 19 March 2015, WCT Land Sdn Bhd, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary company, WCT Land and Development (Australia) Pty Ltd ("WCTLD").

WCTLD is a company incorporated in Victoria, Australia, has an issued and paid up share capital of AUD1.00 divided into 1 ordinary share of AUD1.00 each. WCTLD is currently dormant and no liabilities will be assumed pursuant to the incorporation.

Save as disclosed above, there were no changes in the composition of the Group during the period under review.

A14 Contingent Liabilities

Contingent liabilities of the Group as at 19 February 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) comprised bank guarantees and letters of credit totaling RM790.196 million and RM7.788 million respectively provided by the Group to various parties in the ordinary course of business and tax matters under appeal amounting to RM4.2 million. The changes in contingent liabilities since 19 February 2015 are as follows:-

(a)	Bank Guarantees RM'000	Letter of credit RM'000
Balance as at 19 February 2015	746,324	28,091
Extended/utilised during the period	262,431	3,663
Discharged/paid during the period	<u>(212,565)</u>	<u>(23,966)</u>
Balance as at 19 February 2016	<u>796,190</u>	<u>7,788</u>

- (b) The tax matters under appeal of the Group totalling RM4.2 million are in respect of corporation tax and service tax of a foreign subsidiary.

A15 Contingent Assets

	RM'000
Contingent assets arising from the Final Award of the arbitration Tribunal in DIAC Case No. 02/2009, dated 5 July 2015 (Note B10 material litigation)	<u>768,975</u>

A16 Capital Commitments

There are no material commitments except for as follows:-

	RM'000
Approved and contracted for :	
Property, plant and equipment	787
Land	200,700
Investment property	274,674
Share of capital commitment of joint operations	<u>53,345</u>
	<u>529,506</u>

A17 Significant Related Party Transactions

<u>The Group</u>	RM'000
Contract revenue from joint ventures	38,279
Rent expense payable to a joint venture	(691)
Office utilities expense payable to a joint venture	(56)
Season parking expense payable to a joint venture	(34)
Interest receivable from joint ventures	9,198
Management fee receivable from joint ventures	8,855
Sales of properties to Directors and persons connected with the Directors	<u>19,571</u>

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF THE BURSA MALAYSIA

B1 Review of performance

For the current quarter, the Group recorded revenue and profit attributable to equity holders of RM522 million and RM69 million respectively as compared to RM322 million and RM23 million respectively in the preceding year corresponding quarter. The increase in revenue and net profit are mainly due to higher contribution from local construction and property investment segments.

For the current year to date, the Group recorded revenue and profit attributable to equity holders of RM1,668 million and RM219 million respectively as compared to RM1,662 million and RM123 million respectively in the preceding year corresponding period. The increase in revenue and net profit are mainly due to higher contribution from construction and property investment segments.

Engineering and construction

This segment recorded revenue and operational profit of RM1,278 million and RM140 million as compared to RM1,211 million and RM86 million reported in the preceding year corresponding period. Higher operational profit is mainly attributable to both local and oversea construction segment.

Property development and investment

This segment recorded revenue and operational profit of RM390 million and RM102 million as compared to RM452 million and RM109 million reported in the preceding year corresponding period.

Basic earning per share for current quarter increased to 5.77 sen as compared to 2.04 sen recorded in the preceding year corresponding quarter.

Basic earning per share for current cumulative period improved by approximately 74% to 19.22 sen as compared to 11.04 sen recorded in the preceding year corresponding period.

B2 Comparison With Immediate Preceding Quarter's Results

For the current quarter under review, the Group recorded revenue and profit attributable to equity holders of RM522 million and RM69 million as compared to RM372 million and RM86 million reported in the immediate preceding quarter.

B3 Profit for the period

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	CORRESPONDIN G	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING
	(3 months period To 31.12.2015) RM'000	(3 months period To 31.12.2014) RM'000	(12 months period To 31.12.2015) RM'000	(12 months period To 31.12.2014) RM'000
Profit for the period is arrived at after crediting/ (charging):				
Interest income	3,375	680	13,738	14,445
Interest from joint ventures	1,847	4,261	9,198	14,436
Murabahah & Mudarabah profit	1,854	2,585	11,076	2,793
Interest expense	2,899	(15,679)	(57,808)	(60,233)
Depreciation and amortisation	(2,497)	(1,815)	(8,052)	(8,170)
Bad debts written off	-	(29)	(2,656)	(3,001)
Property, plant and equipment written off	(4)	(23)	(21)	(37)
Impairment of trade and other receivables	(329)	-	(329)	(4,670)
Reversal of allowance for impairment of trade and other receivables	-	33	-	1,024
Provision for foreseeable losses for contract work in progress	(274)	(12)	(274)	(2,000)
Gain/(loss) on disposal of property, plant and equipment	(49)	(14,248)	199	(16,245)
Gain on disposal of stock properties	-	-	29	-
Gain/(loss) on foreign exchange	(30,045)	30,420	91,819	28,892

B4 Prospect For Financial Year 2016

The Group is confident to achieve satisfactory results for the forthcoming financial year. This is attributable to the Group's outstanding construction order book of RM4.8 Billion and unbilled property sales amounting to RM599 million as at 31 December 2015. In addition, the Group's investment properties are expected to achieve increasing recurring income.

B5 Variance Of Actual Profit From Forecast Profit

Not applicable to the Group.

B6 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER To 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDIN To 31.12.2014) RM'000	CURRENT YEAR TO DATE To 31.12.2015) RM'000	PRECEDING YEAR CORRESPONDING To 31.12.2014) RM'000
Taxation comprises:				
Income tax				
- current year	9,652	5,433	43,447	41,738
- prior years	2,018	(3,035)	1,108	(5,388)
Deferred taxation	3,715	(2,591)	10,385	(7,867)
	<u>15,385</u>	<u>(193)</u>	<u>54,940</u>	<u>28,483</u>

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the current cumulative period and current quarter ended 31 December 2015 is higher than the statutory tax rate mainly due to under provision of tax in prior year and certain expenses not deductible for tax purposes.

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the corresponding cumulative period and quarter ended 31 December 2014 is lower than the statutory tax rate mainly due to certain income exempted from income tax.

B7 Status of Corporate Proposals Announced

- (a) Save as disclosed below, the Group did not announce any corporate proposal which has not been completed as at 19 February 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

On 1 December 2015, WCTL and JCSB, had entered into a SSA with Sunrise whereby WCTL and Sunrise will be cooperating and working together through JCSB as the special purpose incorporated joint venture company to develop the lands held by JCSB in the Mukim of Bandar Serendah, District of Ulu Selangor, Negeri Selangor.

Pursuant to the SSA, Sunrise shall subscribe for 1,000,000 new Ordinary Shares of RM1.00 each in JCSB ("Shares") representing 50% of the enlarged issued and paid up share capital of JCSB for a total subscription consideration of RM214,880,743.00 and the subscription of Shares by Sunrise will result in a dilution of WCTL's equity interest in JCSB from 100% to 50% ("Proposed Dilution"). Pursuant to the Proposed Dilution, WCTL and Sunrise will have equal proportion of interest i.e. 50% each in JCSB. Hence, JCSB will cease to be a subsidiary of WCTL and the Company upon completion of the SSA.

- (b) Utilisation of proceeds raised from the Rights Issue of Shares as at 31 December 2015 are as follows:

Proceeds totaling RM107,926,234 were raised under the Right Issue of Shares. The status of the utilisation of the proceeds is as set out below:-

Purpose	Proposed Utilisation RM'000	Intended Timeframe for Utilisation	Actual	Balance	
			Utilisation as at 31 December 2015 RM'000	Amount RM'000	%
(i) Repayment to suppliers	40,661	Within 24 months from 7 August 2015	40,661	0	0%
(ii) Repayment to sub-contractors	65,265	Within 24 months from 7 August 2015	45,510	19,755	30%
(iii) Estimated expenses in relation to the Proposals	2,000	Upon completion	1,612	388	19%
Total	107,926		87,783	20,143	

B8 Realised and Unrealised Profits

The breakdown of retained profits of the Group both realized and unrealized as at the reporting date pursuant to the directive issued by Bursa Malaysia Securities on 25 March 2010 are as follow:

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	1,026,817	1,019,761
- Unrealised	224,782	142,273
	<u>1,251,599</u>	<u>1,162,034</u>
Total share of retained profits/(losses) from associates:-		
- Realised	103,792	99,566
- Unrealised	(377)	(337)
	<u>103,415</u>	<u>99,229</u>
Total share of (accumulated losses)/retained profits from jointly arrangement:-		
- Realised	(30,380)	(30,566)
- Unrealised	203,089	130,747
	<u>172,709</u>	<u>100,181</u>
Less : Consolidation adjustment	<u>(260,866)</u>	<u>(252,383)</u>
Total Group retained profits as per consolidated accounts	<u>1,266,857</u>	<u>1,109,061</u>

B9 Group Borrowing And Debt Securities

Detail of group borrowings are as follows:-

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Long Term Bank Borrowings		
<u>Secured:-</u>		
Long Term Loan	322,836	246,400
	<u>322,836</u>	<u>246,400</u>
<u>Unsecured:-</u>		
Sukuk Murabahah	750,000	600,000
MTN	1,000,000	1,000,000
	<u>1,750,000</u>	<u>1,600,000</u>
	<u>2,072,836</u>	<u>1,846,400</u>
Short Term Bank Borrowings		
<u>Secured :-</u>		
Hire Purchase Creditors	-	7
Revolving Credit	78,000	88,000
Term Loans	21,600	21,600
	<u>99,600</u>	<u>109,607</u>
<u>Unsecured :-</u>		
Trust Receipt	7,777	-
Bank Overdraft	18,587	5,429
BONDS	-	292,385
Revolving credit	300,000	43,049
IMTN	-	100,000
Term loan	94,446	33,642
	<u>420,810</u>	<u>474,505</u>
	<u>520,410</u>	<u>584,112</u>
Total Bank Borrowings	<u>2,593,246</u>	<u>2,430,512</u>

Key:

Sukuk Murabahah - RM1.5 billion Sukuk Murabahah Programme

BONDS - Serial Fixed Rate Bonds

MTN - Medium Term Notes

IMTN - Islamic Medium Term Notes

B10 Material Litigation

Except as disclosed below, there are no material litigation pending since 31 December 2014 (being the date of the last annual statement of financial position) to 19 February 2016 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board of the Company has no knowledge of any proceedings pending or threatened against the Company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group during the said period.

Status update on the arbitration proceedings in relation to the cancellation (“the Cancellation”) of the Nad Al Sheba Racecourse, Dubai, U.A.E. contract (“the Contract”):

On 11 January 2009 the Company (jointly with Arabtec Construction LLC, (“Joint Venture”) as Claimants) commenced arbitration proceedings against Meydan Group LLC (formerly known as Meydan LLC, as Respondent) (“Meydan”) in relation to the Cancellation. In the course of the arbitration proceedings, the Joint Venture’s dispute and claims had been revised from time to time and eventually totalled approximately AED2.8 billion. Meydan eventually took the position that the DIAC Case No. 02/2009 had expired by effluxion of time. After deliberation, the arbitration Tribunal in DIAC Case No. 02/2009 had on 9 June 2012 rejected conclusively Meydan’s submission that the arbitration proceedings had expired by effluxion of time. Notwithstanding the arbitration Tribunal’s decision above, Meydan had on 14 June 2012 brought its counterclaims in relation to what was DIAC Case No. 02/2009 before the Dubai Courts under Commercial Action No. 1066/2012 (“Civil Suit”), claiming against the Joint Venture, a sum of AED3.5 billion. On 26 February 2013, the Dubai Court of First Instance dismissed the Civil Suit on the grounds that the DIAC Case No. 02/2009 had not expired by effluxion of time and in view of the valid and binding arbitration agreement between the parties.

On 27 February 2013, the Company was informed by Arabtec that its board of directors had agreed to Meydan’s proposal (“Proposal”) for Arabtec and Meydan to withdraw all pending legal cases as between themselves without prejudice to their respective rights and to proceed with negotiations for an amicable settlement. Pursuant thereto, Arabtec and Meydan had withdrawn their respective claims and counterclaims as against themselves, from the DIAC Case 2/2009. The arbitration proceedings then continued as between the Company and Meydan in respect of the Company’s rights in its share of the Joint Venture’s claims namely approximately AED1.4 billion.

On 24 March 2013, Meydan filed a notice of appeal to the Dubai Court of Appeal against the dismissal of the Civil Suit by the Court of First Instance insofar as it concerns Meydan’s counterclaims against the Company. On 26 November 2014, the Dubai Court of Appeal confirmed that the arbitral proceedings in DIAC Case No. 02/2009 continue insofar as they concern all outstanding issues between the Company and Meydan and suspended Meydan’s Civil Suit until the Final Award to be issued in DIAC Case No. 02/2009. Both Meydan and the Company have filed an appeal to the Court of Cassation. The Court of Cassation had on 27 December 2015 referred the Civil Suit back to the Court of Appeal for the Court of Appeal to review the same.

B10 Material Litigation (Cont'd.)

On 8 July 2015, the Company received the Final Award of the arbitration Tribunal in DIAC Case No. 02/2009, dated 5 July 2015, where the Tribunal has found and ruled in favor of the Company, amongst others, that:-

1. Meydan's cancellation and purported termination of the Contract was unlawful, invalid and of no effect; and
2. Meydan was not entitled to call on the Joint Venture's Performance Bond and must repay the same.

Consequently, the Tribunal awarded to and in favor of the Company, and ordered Meydan to pay the Company, a total of AED1,152,651,192.68 (Arab Emirates Dirham One Billion, One Hundred and Fifty Two Million, Six Hundred and Fifty One Thousand, One Hundred and Ninety Two and Fils Sixty Eight) (approximately *RM1,197,258,793 [Ringgit Malaysia One Billion, One Hundred and Ninety Seven Million, Two Hundred and Fifty Eight Thousand, Seven Hundred and Ninety Three]). The Company is now undertaking the necessary legal proceedings for enforcement of the Award.

The management believes, based on continuing legal opinion received, that the prospects of successfully opposing the Appeal are good.

* Based on exchange rate as at 8 July 2015

B11 Dividends

	Paid in Year Ended 31 Dec 2015 RM'000	Paid in Year Ended 31 Dec 2014 RM'000
<u>Final dividend paid</u>		
For the financial year ended 31 December 2013		
- Single tier dividend of 3.25 sen per ordinary share of RM0.50	-	35,278
<u>Single tier interim dividend paid</u>		
For the financial year ended 31 December 2014		
- Cash dividend of 1.25 sen per ordinary share of RM0.50	-	13,516
- Share dividend of 1 treasury share for every 100 ordinary shares of RM0.50 each held	-	23,321
<u>Final dividend paid</u>		
For the financial year ended 31 December 2014		
- Cash dividend of 1.00 sen per ordinary share of RM0.50	10,750	-
- Share dividend of 1 treasury share for every 100 ordinary shares of RM0.50 each held	20,628	-
<u>Single tier interim dividend paid</u>		
For the financial year ended 31 December 2015		
- Cash dividend of 1.00 sen per ordinary share of RM0.50	11,830	-
- Share dividend of 1 treasury share for every 100 ordinary shares of RM0.50 each held	18,170	-
Total net dividend paid	61,378	72,115

Subject to the shareholders' approval at the forthcoming Annual General Meeting, the Directors recommended a final single tier cash dividend of 2.00 sen per ordinary share of RM0.50 each.

B12 Earnings Per Share

	Reporting Quarter 31.12.2015	Current Year To Date 31.12.2015
(a) Basic Earnings Per Share		
Profit attributable to the equity holders of the parent (RM'000)	68,927	219,111
Weighted average number of ordinary shares in issue ('000)	1,193,651	1,139,882
Basic earnings per share (sen)	5.77	19.22
(b) Fully Diluted Earnings Per Share		
Profit attributable to the equity holders of the parent (RM'000)	68,927	219,111
Weighted average number of ordinary shares in issue ('000)	1,193,651	1,139,882
Effects of dilution:		
Share options ('000)	2,423	2,432
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,196,074	1,142,314
Fully diluted earnings per share (sen)	5.76	19.18

B13 Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter presentation.

Date: 25th February 2016