



WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)
(Incorporated in Malaysia)

Date : 26 November 2024

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024**

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WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND YEAR-TO-DATE
ENDED 30 SEPTEMBER 2024**

(The figures have not been audited)

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	437,458	496,563	1,281,174	1,325,681
Cost of sales	(351,639)	(438,444)	(1,029,691)	(1,137,011)
Gross profit	85,819	58,119	251,483	188,670
Other income	189,831	11,498	245,055	43,015
Other expenses	(8,577)	(8,631)	(24,987)	(21,899)
Administrative expenses	(42,018)	(32,175)	(115,706)	(91,765)
Finance costs	(38,972)	(34,612)	(113,166)	(95,016)
Share of profit after tax of associates	5,452	4,093	22,807	10,299
Share of profit after tax of joint ventures	8,839	7,725	20,224	15,331
	200,374	6,017	285,710	48,635
Income tax	(5,023)	3,997	(20,978)	(11,085)
Profit for the period	195,351	10,014	264,732	37,550
Attributable to:				
Equity holders of the Company	173,222	(13,544)	220,634	(8,227)
Holder of Perpetual Sukuk	22,776	24,286	46,792	48,081
Non-controlling interest	(647)	(728)	(2,694)	(2,304)
Profit for the period	195,351	10,014	264,732	37,550
Attributable to equity holders of the Company :				
Basic earnings/(loss) per share (sen)	12.00	(0.96)	15.47	(0.58)
Fully diluted earnings per share (sen)	- ^	- ^	- ^	- ^

^ Fully diluted earnings per share are not presented as there are no dilutive potential ordinary shares.

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024

(The figures have not been audited)

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	RM'000	RM'000	RM'000	RM'000
Profit for the period	195,351	10,014	264,732	37,550
Other comprehensive income/(loss):				
Currency translation differences arising from consolidation	18,238	(233)	23,003	15,250
Other comprehensive income/(loss) for the period, net of tax	18,238	(233)	23,003	15,250
Total comprehensive income for the period	213,589	9,781	287,735	52,800
Total comprehensive income for the period attributable to :				
Equity holders of the Company	192,028	(13,807)	243,786	6,743
Holder of Perpetual Sukuk	22,776	24,286	46,792	48,081
Non-controlling interest	(1,215)	(698)	(2,843)	(2,024)
	213,589	9,781	287,735	52,800

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	AS AT 30.9.2024 UNAUDITED RM'000	AS AT 31.12.2023 AUDITED RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	381,866	396,219
Right-of-use assets:		
- Property, plant and equipment	34,291	37,019
- Investment properties	111,632	115,751
Intangible assets	91,484	96,708
Inventory properties under development	1,506,800	1,630,336
Investment properties	1,806,748	1,805,392
Investment in associates	177,035	190,537
Investment in joint ventures	491,732	312,486
Trade receivables	260,000	261,972
Other receivables	7,828	7,598
Deferred tax assets	19,878	17,890
	<u>4,889,294</u>	<u>4,871,908</u>
<u>Current assets</u>		
Inventory properties under development	453,588	366,882
Inventories	188,304	225,774
Trade receivables	719,106	808,373
Contract assets	1,146,980	930,998
Other receivables	407,175	438,694
Due from related parties	610,328	583,273
Tax recoverable	23,041	27,025
Cash and bank balances	485,628	414,690
	<u>4,034,150</u>	<u>3,795,709</u>
TOTAL ASSETS	<u>8,923,444</u>	<u>8,667,617</u>
EQUITY AND LIABILITIES		
<u>Equity attributable to equity holders of the Company</u>		
Share capital	3,285,553	3,212,796
Reserves	(1,464,236)	(1,487,388)
Retained earnings	1,392,125	1,171,491
Treasury shares, at costs	(381)	(381)
	<u>3,213,061</u>	<u>2,896,518</u>
Perpetual Sukuk	488,647	820,133
Non-controlling interest	(57,628)	(29,785)
Total equity	<u>3,644,080</u>	<u>3,686,866</u>

WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 (Cont'd.)

	AS AT 30.9.2024 UNAUDITED RM'000	AS AT 31.12.2023 AUDITED RM'000
EQUITY AND LIABILITIES (Cont'd)		
<u>Non-current liabilities</u>		
Trade payables	127,186	111,898
Contract liabilities	6,000	6,000
Other payables	31,000	29,148
Lease commitment payable	75,357	82,875
Hire purchase and lease liabilities	127,155	139,638
Borrowings	1,180,533	1,457,820
Deferred tax liabilities	141,335	137,343
	<u>1,688,566</u>	<u>1,964,722</u>
<u>Current liabilities</u>		
Trade payables	1,054,332	1,075,269
Contract liabilities	31,529	46,817
Other payables	166,559	222,013
Lease commitment payable	5,697	5,547
Hire purchase and lease liabilities	17,496	17,448
Due to related parties	2,319	1,621
Borrowings	2,297,161	1,635,452
Tax payable	15,705	11,862
	<u>3,590,798</u>	<u>3,016,029</u>
Total Liabilities	<u>5,279,364</u>	<u>4,980,751</u>
TOTAL EQUITY AND LIABILITIES	<u>8,923,444</u>	<u>8,667,617</u>
Net asset per share (RM)	2.15	2.04

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

Registration Number : 201101002327 (930464-M)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024

	Attributable to Equity Holders of the Company										Total equity RM'000	
	Non-Distributable					Distributable						
	Share capital RM'000	Treasury shares RM'000	Internal reorganisation reserve RM'000	Exchange reserve RM'000	Capital reserve RM'000	Equity compensation reserve RM'000	Revaluation reserve RM'000	General reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling interest RM'000
Preceding year corresponding period												
At 1 January 2023	3,212,796	(381)	(1,554,791)	(78,126)	61,646	3,797	63,392	1,438	1,428,928	3,138,699	819,449	(51,638)
Profit/(loss) for the period	-	-	-	14,970	-	-	-	-	(8,227)	(8,227)	48,081	(2,304)
Other comprehensive income	-	-	-	-	-	-	-	-	-	14,970	-	280
Total comprehensive income/(loss) for the period	-	-	-	14,970	-	-	-	-	(8,227)	6,743	48,081	(2,024)
Dividends paid to shareholders	-	-	-	-	-	-	-	-	(7,087)	(7,087)	-	-
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	-	(48,081)	-
Transfer within reserve for ESOS forfeited	-	-	-	-	-	(3,797)	-	-	3,797	-	-	-
Amortization of transaction cost	-	-	-	-	-	-	-	-	-	-	514	-
At 30 September 2023	3,212,796	(381)	(1,554,791)	(63,156)	61,646	-	63,392	1,438	1,417,411	3,138,355	819,963	(53,662)
Current year to date												
At 1 January 2024	3,212,796	(381)	(1,554,791)	(64,141)	61,646	-	68,460	1,438	1,171,491	2,896,518	820,133	(29,785)
Profit/(loss) for the period	-	-	-	-	-	-	-	-	220,634	220,634	46,792	(2,694)
Other comprehensive (loss)/income	-	-	-	23,152	-	-	-	-	-	23,152	-	(149)
Total comprehensive income/(loss) for the period	-	-	-	23,152	-	-	-	-	220,634	243,786	46,792	(2,843)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	-	(46,792)	-
Arising from placement shares	72,757	-	-	-	-	-	-	-	-	72,757	-	-
Redemption of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	-	(332,000)	-
Redemption of preference shares of a subsidiary subscribed by non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(25,000)
Amortization of transaction cost	-	-	-	-	-	-	-	-	-	-	514	-
At 30 September 2024	3,285,553	(381)	(1,554,791)	(40,989)	61,646	-	68,460	1,438	1,392,125	3,213,061	488,647	(57,628)

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024

	Year-To-Date Ended	
	30.9.2024 UNAUDITED RM'000	30.9.2023 UNAUDITED RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	285,710	48,635
Adjustments for:-		
Non-cash items	34,714	17,153
Non-operating items - financing	81,976	70,252
Non-operating items - investing	(223,858)	(24,105)
Operating profit before working capital changes	<u>178,542</u>	<u>111,935</u>
Net changes in assets	(22,058)	(248,459)
Net changes in liabilities	(93,067)	117,633
Cash flows generated from/(used in) operating activities	<u>63,417</u>	<u>(18,891)</u>
Taxation paid	(11,398)	6,159
Net cash generated from/(used in) operating activities	<u>52,019</u>	<u>(12,732)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in a joint venture	(880)	-
Redemption of preference shares of a subsidiary subscribed by a non-controlling interest	(25,000)	-
Interest received	31,190	24,764
Property, plant and equipment	(9,416)	(26,540)
Investment properties	(456)	-
Dividend received from associates	20,000	-
Dividend received from joint ventures	9,850	-
Redemption of redeemable preference shares from joint venture	16,000	-
Withdrawal of deposits with licensed banks	(7,649)	15,400
Net cash generated from investing activities	<u>33,639</u>	<u>13,624</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(120,704)	(102,960)
Proceed from placement shares	72,757	-
Dividend to shareholders	-	(7,087)
Distribution to holders of Perpetual Sukuk	(46,792)	(48,081)
Redemption of Perpetual Sukuk	(332,000)	-
Payment of principal portion of lease liabilities	(19,540)	(21,438)
Net drawdown of borrowings	384,421	195,729
Net cash (used in)/generated from financing activities	<u>(61,858)</u>	<u>16,163</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR	23,800	17,055
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	324,518	156,963
Foreign exchange differences	39,489	5,464
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR *	<u>387,807</u>	<u>179,482</u>

* Cash & cash equivalents excludes cash and deposits with licensed bank pledged as security amounting to RM96,257,420 and deposits with maturities more than 3 months amounting to RM1,562,628.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

A EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with MFRS 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 ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

A2 Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those adopted in preparing the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following new Malaysian Financial Reporting Standards ("MFRSs") and Amendments to MFRSs with effect from 1 January 2024.

MFRSs and Amendments to MFRSs

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements: Non-current liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024

The Directors do not expect that the adoption of the above new accounting standards to have a material impact on the financial statements in the periods of initial application.

A3 Audit Qualification

There was no audit qualification in the auditors' report of the Company relating to the audited financial statements for the financial year ended 31 December 2023.

A4 Seasonal Or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter ended 30 September 2024.

A6 Changes In Estimates

There were no changes in estimates that have had any material effect during the current quarter ended 30 September 2024.

A7 Changes In Debt and Equity Securities

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

- (i) On 30 July 2024, the Company resold 471 units of treasury shares for a total consideration of RM611.83. The total number of treasury shares held by the Company was reduced to 914,471 units.
- (ii) On 2 September 2024, 80,000,000 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia pursuant to the placement of up to 141,664,000 new ordinary shares in the Company ("Placement Shares"), representing up to 10% of the Company's total issued shares ("Placement"), at an issue price of RM0.91 per Placement Share.

A8 Dividends

Please refer to Explanatory Note B10.

A9 Segmental Information

	Investment holding, Engineering and construction RM'000	Property development RM'000	Property investment and management RM'000	Unallocated RM'000	Eliminations RM'000	Consolidated RM'000
9 months period ended 30 September 2024						
Revenue						
External	699,659	384,321	197,194	-	-	1,281,174
Inter segment	151,317	-	3,586	-	(154,903)	-
	<u>850,976</u>	<u>384,321</u>	<u>200,780</u>	<u>-</u>	<u>(154,903)</u>	<u>1,281,174</u>
Segment results						
Profit from operations	34,799	36,925	284,121	-	-	355,845
Share of results of associates	(825)	22,816	-	816	-	22,807
Share of results of joint ventures	-	(6,095)	26,319	-	-	20,224
Finance costs						(113,166)
Taxation						(20,978)
Profit for the financial period						<u>264,732</u>
Profit attributable to :-						
- Equity holders of the Company						220,634
- Holders of Perpetual Sukuk						46,792
- Non-controlling interest						<u>(2,694)</u>
						<u>264,732</u>
9 months period ended 30 September 2023						
Revenue						
External	927,947	239,605	158,129	-	-	1,325,681
Inter segment	131,087	-	3,586	-	(134,673)	-
	<u>1,059,034</u>	<u>239,605</u>	<u>161,715</u>	<u>-</u>	<u>(134,673)</u>	<u>1,325,681</u>
Segment results						
Profit from operations	17,561	24,502	75,958	-	-	118,021
Share of results of associates	68	8,250	-	1,981	-	10,299
Share of results of joint ventures	556	(5,282)	20,057	-	-	15,331
Finance costs						(95,016)
Taxation						(11,085)
Profit for the financial period						<u>37,550</u>
Profit attributable to :-						
- Equity holders of the Company						(8,227)
- Holders of Perpetual Sukuk						48,081
- Non-controlling interest						<u>(2,304)</u>
						<u>37,550</u>

A10 Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous audited financial statements as at 31 December 2023.

A11 Subsequent Material Events

Save as disclosed below, there was no material event subsequent to the quarter ended 30 September 2024.

On 16 October 2024, the remaining 61,664,000 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia at an issue price of RM0.84 per Placement Share.

A12 Effects Of Changes In The Composition Of The Group

- (i) On 19 March 2024, WCT Bahrain W.L.L. was incorporated in the Kingdom of Bahrain with an issued and paid-up share capital of 500 shares or Bahraini Dinar of BHD5,000 (approximately RM62,000*). WCT Berhad had subscribed for 49% of the share capital of WCT Bahrain W.L.L. and the remaining 51% was subscribed by a third party, Pinnacle W.L.L..

* Based on exchanges rate as at 19 March 2024

- (ii) On 25 April 2024, W Facade Sdn. Bhd., a wholly-owned subsidiary of WCT Construction Sdn. Bhd. ("WCTC"), which is in turn an indirectly wholly-owned subsidiary of the Company, increased its issued share capital from RM2 to RM2,000,000 through the allotment of 1,999,998 ordinary shares. WCTC subscribed 1,699,998 ordinary shares for a total cash consideration of RM1,699,998, while a third party subscribed to the remaining 300,000 ordinary shares for a total cash consideration of RM300,000. As a result, WCTC's equity interest in W Facade Sdn. Bhd. was reduced from 100% to 85%.
- (iii) On 18 June 2024, WCT Land Sdn. Bhd. ("WCTL"), a wholly owned subsidiary of the Company transferred its 1 ordinary share representing the entire shareholding in Paradigm REIT Management Sdn. Bhd. ("PRMSB") (formerly known as WCT REIT Management Sdn. Bhd.) to the Company at a total consideration of RM1.00. On 19 August 2024, PRMSB increased its issued share capital from RM1 to RM1,100,000 through the allotment of 1,099,999 ordinary shares. The Company subscribed 879,999 ordinary shares for a total cash consideration of RM879,999, while a third party subscribed to the remaining 220,000 ordinary shares for a total cash consideration of RM220,000. As a result, the Company's equity interest in PRMSB was reduced from 100% to 80%.
- (iv) On 30 July 2024, WCTL incorporated a wholly-owned subsidiary company, Cahaya Ria Sdn. Bhd. ("CRSB"). The issued share capital of CRSB is RM1.00 comprising 1 ordinary share.
- (v) On 30 September 2024, 34,019,246 new ordinary shares in the capital of Segi Astana Sdn. Bhd. ("SASB"), a 70%-owned jointly controlled entity of the Company, were issued and allotted to Malaysia Airports Holdings Berhad ("MAHB"), bringing the ownership ratio of ordinary shares in SASB to 53:47 between WCTL and MAHB. Further details are disclosed in Note B7(i).

Save as disclosed above, there were no material changes in the Group's composition during the current quarter ended 30 September 2024.

A13 Contingent Liabilities

Contingent liabilities of the Group as at 20 November 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly unaudited financial report) comprised mainly bank guarantees and letters of credits totalling RM476.646 million and RM10.254 million respectively which have been provided by the Group to various third parties in the ordinary course of business and relating to tax matters under appeal amounting to RM15.7 million. The changes in contingent liabilities since 31 December 2023 are as follows:-

(a) Bank Guarantees and Letters of credit	Bank Guarantees	Letters of credit
	RM'000	RM'000
Balance as at 31 December 2023	452,074	7,445
Extended/utilised during the financial period	84,668	15,059
Discharged/paid during the financial period	<u>(60,096)</u>	<u>(12,250)</u>
Balance as at 20 November 2024	<u>476,646</u>	<u>10,254</u>

(b) The tax matters under appeal of the Group totalling RM15.7 million are in respect of corporation tax and service tax of a foreign branch and subsidiary.

A14 Capital Commitments

There are no material commitments except for as follows:-

	30.9.2024
	RM'000
Approved and contracted for :	
Property, plant and equipment	2,673

A15 Significant Related Party Transactions

The Group had the following significant transactions with related parties during the period ended 30 September 2024:

	RM'000
Contract revenue from associates	21,856
Contract revenue from companies in which a director has interests	210,695
Contract costs to a company in which a director has interests	101,951
Interest receivable from joint ventures	17,809
Management fee receivable from joint ventures and associates	5,953
Lease expense payable to companies in which certain directors have interests	<u>2,283</u>

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF BURSA MALAYSIA

B1 Review of performance

For the current quarter under review, the Group recorded revenue and profit attributable to equity holders of RM437 million and RM173 million, respectively, compared to revenue of RM497 million and a loss attributable to equity holders of RM14 million in the corresponding quarter of preceding year. Profit attributable to equity holders increased significantly by RM187 million, primarily due to a net gain after tax of approximately RM184 million arising from the remeasurement of interest in a jointly controlled entity.

Engineering and Construction segment continues to be the Group's main contributor of revenue of RM227 million, accounting for 52% of the Group's consolidated revenue. Property Development and Property Investment & Management segments contributed RM139 million and RM71 million respectively, representing approximately 32% and 16% of the Group's consolidated revenue.

For the current year-to-date, the Group's revenue decreased by 3%, from RM1,326 million to RM1,281 million, while profit attributable to equity holders increased to RM221 million, as compared to the preceding year corresponding period's loss attributable to equity holders of RM8 million. These increases are attributed to the improved performance across all segments of the Group and a net gain after tax on remeasurement of interest in a jointly controlled entity amounting to approximately RM184 million.

Engineering and Construction

For current year-to-date, this segment recorded revenue and operating profit of RM700 million and RM35 million respectively, as compared to the preceding year corresponding period ("3Q2023")'s revenue and operating profit of RM928 million and RM18 million. Lower revenue in current period was mainly due to slower construction progress.

Property Development

For current year-to-date, this segment achieved higher revenue of RM384 million (3Q2023: RM240 million) and higher operating profits of RM37 million (3Q2023: RM25 million) respectively. The increase in revenue and operating profit were primarily driven by higher sales and billing of properties in the current period. Unbilled sales as at the end of the reporting period stood at RM998 million.

Property Investment and Management

For current year-to-date, this segment achieved higher revenue of RM197 million (3Q2023: RM158 million) and higher operating profits of RM284 million (3Q2023: RM76 million) respectively. The increase in revenue in current period were attributed to higher occupancy and rental rates for our malls as well as higher contribution from hotels. Operating profit increased by RM208 million mainly due to a net gain after tax on remeasurement of interest in a jointly controlled entity amounting to approximately RM184 million.

The Group reported basic earnings per share of 15.47 sen as compared to basic loss per share of 0.58 sen recorded in 3Q2023.

B2 Comparison With Immediate Preceding Quarter's Results

For the current quarter under review, the Group achieved revenue of RM437 million, an increase from RM376 million in the preceding quarter. Profit attributable to equity holders for the quarter rose significantly to RM173 million, compared to RM31 million in the preceding quarter. This increase in profit is mainly due to a net gain after tax of approximately RM184 million from the remeasurement of interest in a jointly controlled entity.

B3 Profit for the period

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	CURRENT QUARTER 30.9.2024 RM'000	PRECEDING FINANCIAL YEAR CORRESPONDING QUARTER 30.9.2023 RM'000	CURRENT CUMULATIVE QUARTER 30.9.2024 RM'000	PRECEDING CORRESPONDING QUARTER 30.9.2023 RM'000
Profit for the period is arrived at after crediting/ (charging):				
Interest income	6,620	5,482	19,672	15,733
Interest expense and sukuk profit	(38,972)	(34,612)	(113,166)	(95,016)
Depreciation & amortisation	(9,300)	(9,131)	(30,261)	(28,306)
Net impairment of allowance for expected credit losses of receivables	(190)	(250)	1,060	(354)
Gain/(loss) on disposal of property, plant and equipment	472	(36)	282	325
Loss on foreign exchange	(5,436)	(1,036)	(14,375)	(1,339)

B4 Prospects For The Financial Year 2024

On 5 September 2024, Bank Negara Malaysia stated in its monetary policy statement that the global economy continues to expand amid resilient labour markets and continued recovery in global trade. Looking ahead, global growth is expected to be sustained by positive labour market conditions, moderating inflation and less restrictive monetary policy. Global trade recovery is expected to continue, supported by both electrical and electronics (E&E) as well as non-E&E products. The growth outlook remains subject to downside risks, mainly from further escalation of geopolitical tensions, volatility in global financial markets, and slower growth momentum in major economies.

The Malaysian economy expanded by 5.1% in the first half of 2024. The latest indicators point towards sustained strength in economic activity driven by resilient domestic expenditure and higher export activity. Going forward, exports are expected to be further lifted by the global tech upcycle given Malaysia's position in the semiconductor supply chain, as well as continued strength in non-E&E goods. Tourist spending is expected to continue to increase. Employment and wage growth, as well as policy measures, remaining supportive of household spending. The robust expansion in investment activity would be sustained by the progress of multi-year projects in both the private and public sectors, the implementation of catalytic initiatives under the national master plans, as well as the higher realisation of approved investments. The higher intermediate and capital imports will further support export and investment activity. The growth outlook is subject to downside risks from lower-than-expected external demand and commodity production. Meanwhile, upside risks to growth mainly emanate from greater spillover from the tech upcycle, more robust tourism activity, and faster implementation of investment projects.

Overall the engineering and construction industry continues to face challenges but could potentially be cushioned by the rollout of bigger projects in Malaysia in the near future. Our Engineering and Construction Division will continue to focus on project execution and cost recovery from completed projects. To replenish our order book, we have allocated additional resources to secure new jobs both locally and overseas. For Property Development, the resilient Malaysian economy are expected to stimulate further the demand for our property development offerings and launches. The strong Malaysian household spending coupled with the pickup in tourist arrivals will continue to revitalise the five retails malls under the Group's management, in particular the airport malls, as well as the hotels and business aviation services.

B5 Variance of Actual Profit From Forecast Profit

Not applicable to the Group.

B6 Taxation

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:				
Malaysian income tax				
- current financial period	10,471	(881)	22,565	16,117
- prior years/ periods	(3,357)	(245)	(3,340)	(264)
Deferred taxation	(2,091)	(2,871)	1,753	(4,768)
	<u>5,023</u>	<u>(3,997)</u>	<u>20,978</u>	<u>11,085</u>

The Group's effective tax rate for current quarter and current cumulative quarter ended 30 September 2024 and preceding year corresponding quarter ended 30 September 2023 (excluding the results of associates and joint ventures, which are equity accounted net of tax) were lower than the statutory tax rate.

The Group's effective tax rate for preceding year cumulative quarter ended 30 September 2023 (excluding the results of associates and joint ventures, which are equity accounted net of tax) were higher than the statutory tax rate mainly due to certain expenses that were not deductible for tax purposes.

B7 Status of Corporate Proposals Announced

Save as disclosed below, the Group did not announce any corporate proposal which has not been completed as at 20 November 2024 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

- (i) On 28 May 2024, WCT Berhad ("WCTB"), WCTL both wholly-owned subsidiaries of the Company and SASB a 70% owned jointly controlled entity entered into a supplemental agreement with MAHB and Malaysia Airports (Sepang) Sdn. Bhd. ("MA Sepang") ("Supplemental Agreement") for the purpose of varying the terms and conditions of the following principal agreements further to MAHB's agreement on the proposed extension of the concession period in favour of SASB for a further period of twenty-two (22) years ("Second Extension") subject to the terms and conditions as stipulated therein:

- (a) The Principal Concession Agreement entered into between MAHB, WCTB and SASB;
- (b) The Principal Sub-Lease Annexure entered into between MA Sepang and SASB; and
- (c) The Principal Shareholders Agreement entered into between WCTL, MAHB and SASB

Pursuant to the Principal Concession Agreement, MAHB agreed to grant to WCTB the Concession (as defined in the Principal Concession Agreement), being the sole and exclusive right and authority to design, construct and complete the KLIA-2 Integrated Complex, now known as gateway@klia2 on part of the Master Land measuring approximately 22.6 acres in area and any future expansion or modification thereof as well as to manage, operate and maintain the gateway@klia2 and to demand, collect and retain the revenue therefrom, as more particularly described in the Principal Concession Agreement. WCTB had in accordance with the terms of the Principal Concession Agreement nominated SASB to undertake the Concession.

B7 Status of Corporate Proposals Announced (Contd')

Subject to the conditions precedent as set out in the Supplemental Agreement (“Conditions”) being satisfied or fulfilled by SASB, MAHB and MA Sepang, MAHB agreed to grant the Second Extension in favor of SASB upon the expiry of the first extension on 31 August 2047 (“First Extension”) in consideration of the issuance and allotment by SASB to MAHB of thirty-four million nineteen thousand two hundred forty-six (34,019,246) new fully paid up ordinary shares in the capital of SASB (“Additional Shares”).

Upon the issuance and allotment of Additional Shares, the proportion of the ordinary shares held by WCTL and MAHB in SASB shall be at the ratio of 53:47.

In accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, the Second Extension and the allotment of Additional Shares to MAHB will result in a change of WCT Group’s interest in SASB. Consequently, the change in WCT Group’s interest in SASB will result in a net gain after tax on remeasurement amounting to approximately RM184 million or RM0.13 per share, upon fulfilment of the Conditions, for the financial year ending 31 December 2024.

The issuance and allotment of 34,019,246 new ordinary shares to MAHB was completed on 30 September 2024.

- (ii) On 3 July 2024, the Company announced a proposal to establish and list a Real Estate Investment Trust (“REIT”) (“Paradigm REIT”) on the Main Market of Bursa Securities. Further to the announcement, on 18 September 2024, the Company proposes to undertake the following:
- (a) proposed establishment of Paradigm REIT by the Company, the sponsor (“Proposed REIT Establishment”);
 - (b) proposed disposal by the respective vendors of Bukit Tinggi Shopping Centre, Klang; Paradigm Mall, Petaling Jaya; and Paradigm Mall, Johor Bahru to Paradigm REIT for a total disposal consideration of RM2,437.00 million to be satisfied via the issuance of 1,600.00 million new undivided interest in Paradigm REIT (“Units”) and cash consideration of RM837.00 million (“Proposed Disposals”);
 - (c) proposed offering of up to 560.00 million Units comprising the proposed retail offering and the proposed institutional offering (“Proposed Offering”); and
 - (d) proposed admission of Paradigm REIT to the Official List of the Main Market of Bursa Securities and the listing of and quotation for 1,600.00 million Units on the Main Market of Bursa Securities (“Proposed Listing”).

(The Proposed REIT Establishment, Proposed Disposals, Proposed Offering and Proposed Listing are collectively referred to as “Proposals”)

The Proposals will be subject to, among others, the valuation of the properties to be conducted, the finalisation of the structure, terms and conditions, the necessary approvals, waivers and/or consents from the relevant authorities/parties and the approval of the shareholders of the Company.

On 19 November 2024, an application in relation to the Proposed REIT Establishment and Listing has been submitted to the Securities Commission Malaysia.

B7 Status of Corporate Proposals Announced (Contd')

(iii) On 2 August 2024, the Company announced a proposal to undertake the Placement. A total of 80,000,000 and 61,664,000 Placement Shares were issued by the Company and subsequently listed and quoted on the Main Market of Bursa Malaysia on 2 September 2024 and 16 October 2024, respectively. The Placement was completed with the listing and quotation of the remaining 61,664,000 Placement Shares on the Main Market of Bursa Malaysia on 16 October 2024, bringing the Company's issued share capital to RM3,337,123,427.54.

B8 Group Borrowings And Debt Securities

Details of the Group's borrowings are as follows:-

	As at 30.9.2024 RM'000	As at 31.12.2023 RM'000
Long Term Borrowings		
<u>Secured:-</u>		
Term loans	620,533	797,820
<u>Unsecured:-</u>		
Sukuk Murabahah	560,000	660,000
	1,180,533	1,457,820
Short Term Borrowings		
<u>Secured :-</u>		
Revolving credit	425,080	524,062
Term loans	643,583	81,721
Medium term notes	310,000	310,000
	1,378,663	915,783
<u>Unsecured :-</u>		
Trade facilities	29,998	61,169
Revolving credit	438,500	458,500
Sukuk Murabahah	450,000	200,000
	918,498	719,669
	2,297,161	1,635,452
Total Borrowings	3,477,694	3,093,272

Key:

Sukuk Murabahah-Sukuk issued under the Company's RM1.5 billion Sukuk Murabahah Programme

B9 Material Litigation

There is no material litigation pending from 31 December 2023 (being the date of the last annual statement of financial position) to 20 November 2024 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly unaudited financial 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.

B10 Dividends

	Paid in Year Ending 31 Dec 2024 RM'000	Paid in Year Ended 31 Dec 2023 RM'000
<u>Final single tier dividend paid</u>		
For the financial year ended 31 December 2022		
- Cash dividend of 0.50 sen per ordinary share	-	7,087
Total net dividend paid	-	7,087

B11 Earnings Per Share- Basic/Diluted

	Quarter Ended 30.9.2024	Year-To-Date Ended 30.9.2024
(a) Basic Earnings Per Share		
Earnings attributable to the equity holders of the Company (RM'000)	173,222	220,634
Weighted average number of ordinary shares in issue, excluding treasury shares ('000)	1,443,323	1,425,995
Basic earnings per share (sen)	12.00	15.47

(b) Fully Diluted Earnings Per Share

Fully diluted earnings per share are not presented as there are no dilutive potential ordinary shares.

Date: 26 November 2024