



## FOR IMMEDIATE RELEASE

### **WCE Section 6 recent opening, marks continued positive progression**

#### **Key highlights:**

- **Toll concession segment has demonstrated a significant 25% quarter-on-quarter improvement**
- **Opening of Section 6 (Bandar Bukit Raja Utara – Assam Jawa) on 21 November 2023**
- **Achieved 140,000 vehicles daily during the recent Christmas festive holidays**
- **Target to open Section 11 (Beruas – Taiping Selatan) soon, followed by another two more sections in 4Q FY2024**

**Klang, 26 February 2024** – WCE Holdings Berhad today released its financial results for the third quarter ended 31 December 2023 (3Q FY2024).

#### **Group Financial Performance**

Group revenue for 3Q FY2024 increased 18.6% to RM177.7 million from RM149.8 million reported in 3Q FY2023 while the Group recorded RM12.6 million earnings before interest, taxes, depreciation and amortisation (EBITDA).

The Group recorded a loss before tax of RM28.5 million as compared to RM12.3 million in 3Q FY2023. The higher loss before tax is primarily attributed to cessation of share of results from associates upon the completion of disposal in the previous financial year.

#### **Segment Performance**

The **toll concession segment** continued its steady growth, reporting a 25.1% increase in revenue for 3Q FY2024 from RM137.4 million to RM171.9 million in the preceding year quarter. This was driven by increased construction activities during the quarter and improved toll collection from the existing five sections: Section 5 (New North Klang Straits Bypass – Bandar Bukit Raja Utara), Section 6 (Bandar Bukit Raja Utara – Assam Jawa), Section 8 (Hutan Melintang – Teluk Intan), Section 9 (Kampung Lekir – Changkat Cermin) and Section 10 (Changkat Cermin – Beruas).

The opening of Section 6 (Bandar Bukit Raja Utara – Assam Jawa) in November 2023 significantly amplified the West Coast Expressway's ("WCE") daily traffic volume. The average daily traffic increased by 35% compared to the preceding year quarter.

In 3Q FY2024, the **construction segment** reported a decline in revenue to RM5.8 million from RM12.5 million in the preceding year quarter. The decline was primarily attributed the



resting phase of construction activities, which include initiatives aimed at accelerating soil consolidation and enhancing ground stability for Section 7B. The Group foresees a revenue rebound as construction activities pick up in subsequent quarters.

### **Highlights of the Project**

During the financial period to-date, the Group successfully opened Section 6 (Bandar Bukit Raja Utara – Assam Jawa) on 21 November 2023 and Section 11 (Beruas – Taiping Selatan) is scheduled to be opened soon. The opening of these sections establish crucial connections with other major highways namely, Kuala Lumpur – Kuala Selangor Expressway (LATAR), and North South Expressway (NSE). The completion of Section 11 also signifies the full completion of the Perak alignment, spanning 120km within the WCE Project. With direct access now available from the NSE at Changkat Jering to our highway, the Group holds an optimistic outlook that traffic growth along these sections will be positive as we anticipate more long-haul traffic on WCE. Additionally, as the congestion along the NSE continues to remain a challenge, the Group is confident that WCE will be a viable alternative to ease the congestion on the NSE.

The Group remains focused on completing an additional two sections by the end of 4Q FY2024: Section 1 (Banting – South Klang Valley Expressway (SKVE)) and Section 2 (SKVE – Shah Alam Expressway (KESAS)). The completion of these sections will enhance connectivity with existing highways, with Section 1 connected to SKVE and Section 2 to KESAS. The remaining Sections 3, 4 and 7 are targeted for completion in 2025.

Currently, the average daily traffic on WCE is approximately 67,000, a significant increase of 30% from the previous financial year. Additionally, during the Christmas festive period in December 2023, the traffic volume peaked at an impressive 140,000 vehicles daily.

To-date, the land acquisition issues for WCE has been significantly completed. The land hearing process for the remaining eight lots of land relating to Section 3 (Shah Alam Expressway (KESAS) – Federal Highway Route 2) has concluded and the payments to the land owners has also been disbursed. WCE has commenced the process of taking possession of these related land.

While the Group anticipates initial losses in the early years of toll operations due to the cessation of interest expenses capitalisation for completed sections, the staggered opening of the remaining sections is expected to boost sectional toll revenue, and is poised to improve the Group's future financial performance positively in term of cash flows and operating results.

- Ends -



For more information on WCE Holdings Berhad, kindly visit <https://www.wcehb.com.my>

For more information on the West Coast Expressway, kindly visit <https://wce.com.my>

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