

# BURSA INSTI CORPORATE SERIES

## Wellcall Holdings Berhad

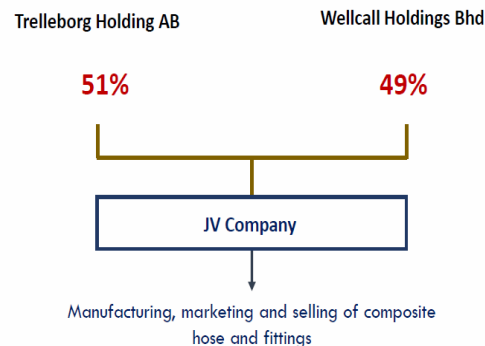
Bursa Malaysia and MIRA together with CGS-CIMB had invited Wellcall Holdings (“Wellcall”) as one of the selected companies during the MIDS Gems 2020 live webinar series. During the webinar, Wellcall shared some insightful updates on the company. Here are some of the key takeaways from the session:

- Wellcall Group is the largest manufacturer of low and medium pressure industrial rubber hoses in Malaysia in terms of sales volume. In FY19, 92% of Wellcall’s sales were derived from export markets, with its products distributed to over 70 countries worldwide. Its manufacturing operations currently consist of three factories in Ipoh, Perak.
- Wellcall’s products are inelastic in demand and are customised based on customers’ needs and specifications for various applications, sizes, pressure, temperature and abrasion resistance. It manufactures three main products which are extrusion hose, mandrel hose and spiral hose.



- Joint Venture with Trelleborg Holdings:

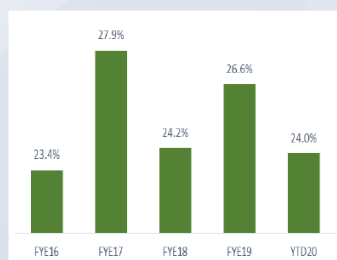
- On 15 Jan 2019, Wellcall and Trelleborg Holdings entered into a Shareholders Agreement to jointly form a private limited liability company in Malaysia. Trelleborg Holdings AB is a globally recognised manufacturer of composite hose.
- Under the agreement, operations of the JV will be driven by Wellcall’s Managing Director.
- Trelleborg will contribute to technology know-how whilst Wellcall contributes local knowledge.



- Industry outlook: Global demand for industrial rubber hoses is expected to continue sustainable growth. Growth will be driven by broad-based sectors, including oil gas, construction, manufacturing, agriculture and automobile.
- Financial highlights: Wellcall has recorded an uninterrupted profit track record since listing in 2006. Steady revenue growth with good gross margins since FY16. ROE and ROA are above 20% for the past four years. Wellcall has been in a net cash position since its listing. The company’s dividend payout ratio has exceeded 70% over the last six years.
- For more information on the company, visit [www.wellcallholdings.com](http://www.wellcallholdings.com)



Return on Earnings (ROE)



Return on Assets (ROA)



Balance Sheet Structure