

MEDIA RELEASE

12th June 2020

**WESTPORTS COMMENCED LEGAL PROCEEDINGS
AGAINST ORACLE AND BANK OF AMERICA**

Kuala Lumpur, 12th June 2020

Westports Holdings Berhad's wholly-owned subsidiary, Westports Malaysia Sdn Bhd ("Westports"), has commenced legal proceedings against Oracle Corporation Malaysia Sdn Bhd ("Oracle") and Bank of America Malaysia Berhad ("BoA") at the Kuala Lumpur High Court on the termination of two agreements.

On 30 November 2018, Westports had subscribed into the Oracle ERP Software System by executing two agreements with Oracle. The first agreement, Oracle Cloud Services Agreement, entails an Oracle license fee of RM15.7 million. Westports had also entered into another agreement with Oracle and a contract with Oracle's outsource partner, the total value amounting to RM15.3 million, for the implementation of the Oracle ERP Software System and a payroll system. Oracle subsequently assigned the first agreement to BoA, and Westports is required to pay the license fee payments directly to BoA.

The Oracle ERP Software System project commenced in February 2019. During the User Acceptance Testing ("UAT") phase, Westports observed either data discrepancy or an inability of the system to execute the purported requirements. Highlighted technical requests remained outstanding, and Westports could not proceed to go-live with the system. Westports eventually terminated the two agreements on 30 December 2019.

Prior to the terminations, Westports had paid RM6.8 million. After the terminations, Westports still received a letter of demand from BoA for RM0.6 million. Oracle made a counter-claim of RM4.1 million for the services rendered. Westports is disputing against the counter-claim on the basis that the two agreements have been terminated, and that the system could not proceed to go-live despite the purported completed milestones. Westports is seeking the court to declare that the agreement terminations have negated the obligation to pay BoA. The case management has been fixed at the Kuala Lumpur High Court on 8th July 2020.



About Westports Holdings Berhad

Westports Holdings Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad on 18th October 2013 and is the largest listed port operator in Malaysia.

Westports is strategically located in Port Klang along the Straits of Malacca. The Company is involved in a container and conventional cargo handling as well as providing a wide range of port services, including marine, rental and other ancillary services.

Important notice

This document contains certain forward-looking statements with respect to Westports' financial condition, results of operations and business, and management's strategy, plans and objectives of Westports. These statements include without limitation, those that express forecasts, expectations and projections such as forecasts, expectations and projections in relation to new products and services, revenue, profit, cash flow, operational metrics etc.

These statements (and all other forward-looking statements, contained in this document) are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Westports' control, are difficult to predict and could cause actual results to differ materially from those expressed or implied or forecast in the forward-looking statements.

All forward-looking statements in this document are based on information known to Westports on the date hereof. Westports undertakes no obligation publicly to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The information in this document, including forward-looking statements, has not been independently verified. Without limiting any of the foregoing in this disclaimer, no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy or completeness of such information.

Westports and its subsidiaries, affiliates, representatives and advisers shall have no liability whatsoever (whether in negligence or otherwise) for any loss, damage, costs or expenses howsoever arising out of or in connection with this presentation.