

WESTPORTS HOLDINGS BERHAD
[Registration No. 199301008024 (262761-A)]

MINUTES OF THE TWENTY-NINTH ANNUAL GENERAL MEETING OF THE COMPANY CONDUCTED ON A VIRTUAL BASIS THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT 3RD FLOOR, TOWER BLOCK, JALAN PELABUHAN BARAT, PULAU INDAH, 42009 PORT KLANG, SELANGOR DARUL EHSAN ON MONDAY, 25 APRIL 2022 AT 2.00 P.M.

PRESENT:-**DIRECTORS**

Tan Sri Datuk Gnanalingam A/L Gunanath Lingam – <i>Chairman</i>	- Also a shareholder and proxyholder
Datuk Ruben Emir Gnanalingam bin Abdullah Kim, Young So Shanthi Kandiah	
Chan Soo Chee	- Also a shareholder
Datuk Siti Zauyah binti Md Desa Encik Ahmad Zubir bin Zahid Tan Sri Ismail bin Adam ¹	
Chan Chu Wei ¹	- Also a shareholder
Sing Chi IP ¹ Diana Tung Wan LEE ¹	

IN ATTENDANCE

Tan Ai Ning	- Company Secretary
Stanley Teo Swee Chua	- Audit Engagement Partner, Deloitte PLT

Note

¹ Participated vide online platform at <https://meeting.boardroomlimited.my>

The list of shareholders, proxies and invitees who participated in the Meeting are set out in the Attendance Sheets and shall form an integral part of these Minutes.

CHAIRMAN

The Chairman of the Board of Directors (the “**Board**”), Tan Sri Datuk Gnanalingam A/L Gunanath Lingam (“**Tan Sri Chairman**”) presided as Chairman of the Meeting and welcomed all shareholders, proxies and guests to the Twenty-Ninth Annual General Meeting (“**AGM**”) of the Company which conducted through live streaming and online remote participation by using Remote Participation and Electronic Voting Facilities, in accordance with Section 327 of the Companies Act 2016 and Clause 81 of the Constitution of the Company. Tan Sri Chairman also informed that the virtual AGM was in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission of Malaysia.

Tan Sri Chairman thanked the shareholders, the proxies, the Board of Directors for participating remotely from various locations through live streaming.

QUORUM

Ms Tan Ai Ning, the Company Secretary confirmed that a quorum was present. With the requisite quorum being present, Tan Sri Chairman called the Meeting to order at 2.00 p.m.

The Company Secretary then proceeded to introduce herself and the Members of Board to the shareholders. She also informed the Meeting that few of the Directors participated in the Meeting remotely via video conferencing, which included the External Auditors for the financial year ended 31 December 2021, Deloitte PLT as represented by its partner, Mr. Stanley Teo Swee Chua.

NOTICE OF MEETING

With the consent of the members present, the Notice convening the Meeting having been circulated for the prescribed period was taken as read.

SUMMARY OF PROXIES RECEIVED

As part of good governance, the Company Secretary, on behalf of the Chairman reported that the Company had received 535 proxy forms from shareholders for a total of 3,205,731,312 ordinary shares representing 94.01% of the issued share capital of the Company.

Out of those, there were 507 shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented were 2,741,826,186 ordinary shares representing 80.41% of the issued share capital of the Company.

POLLING AND ADMINISTRATIVE DETAILS

In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the Meeting will be voted on by poll. Tan Sri Chairman, in his capacity as Chairman of the Meeting, demanded for a poll to be taken on all resolutions set out in the Notice convening the Meeting, pursuant to the Company's Constitution.

Tan Sri Chairman informed the Meeting that the poll would be conducted via electronic and remote poll voting. The Company Secretary then highlighted that the Company had appointed Boardroom Share Registrars Sdn Bhd, the Company's Share Registrar as Poll Administrator to conduct the electronic polling process and GovernAce Advisory & Solutions Sdn Bhd as Scrutineer who has verified the attendees and data for voting aside conducting quality assurance and accountability on the polling procedure and process as well as the eventual poll results.

Shareholders and proxies were further informed that they could commence to vote on the resolutions any time throughout the Meeting until the closure of the voting session.

The Company Secretary then invited the Poll Administrator to play a video, guiding shareholders and proxies on how the electronic and remote poll voting would be conducted and the housekeeping rules for the electronic and remote poll voting process. The voting session had commenced from the start of the Meeting at 2.00 p.m.

PRESENTATION ON FINANCIAL PERFORMANCE AND CORPORATE GOVERNANCE

At the invitation of the Company Secretary, the Group Managing Director, Datuk Ruben Emir Gnanalingam bin Abdullah (“**Datuk Ruben**”) gave a review of the results of the Group for the financial year ended 31 December 2021 and the financial performance, operations of the Group for the financial year ended 31 December 2021 and strategies going forward.

The Meeting further noted that the Company had received questions from the Minority Shareholders Watch Group (“**MSWG**”) seeking clarification/information on several issues raised pertaining to operations, financial performance and corporate governance, both Datuk Ruben and Mr Chan Soo Chee, Chairman of the Nomination and Remuneration Committee responded to the questions raised from MSWG, details as set out in Appendix 1 attached herein. Having addressed to the questions raised from MSWG, the Company Secretary proceeded with the business of the AGM.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 TOGETHER WITH THE REPORTS OF DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors’ and Auditors’ Reports thereon, which had been circulated to all the shareholders for the prescribed period, were tabled for discussion.

As this agenda item is meant for discussion only as Section 340 of the Companies Act 2016 does not require a formal approval by the shareholders, hence, it will not put for voting. The Meeting duly received the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors’ and Auditors’ Reports thereon.

Thereafter, the Company Secretary opened to the floor for questions, details as set out in Appendix 2 attached herein.

After having addressed all the questions raised, it was recorded that the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2021 together with the Directors’ and Auditors’ Report thereon were properly received by the shareholders.

[The rest of this page was intentionally left blank]

**2. ORDINARY RESOLUTION 1
DIRECTORS' FEES AND BENEFITS PAYABLE**

The Company Secretary informed that Ordinary Resolution 1 is to approve the aggregate Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiary, Westports Malaysia Sdn Bhd of an amount not exceeding RM3.02 million from this Annual General Meeting until the next Annual General Meeting of the Company, to be paid monthly in arrears after each month of completed service of the Directors.

**3. ORDINARY RESOLUTION 2
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 2 is on the re-election of Tan Sri Ismail bin Adam who retired from the Board pursuant to Clause 115 of the Constitution of the Company and being eligible, offered himself for re-election.

**4. ORDINARY RESOLUTION 3
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 3 is on the re-election of Mr Sing Chi IP who retired from the Board pursuant to Clause 115 of the Constitution of the Company and being eligible, offered himself for re-election.

**5. ORDINARY RESOLUTION 4
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 4 is on the re-election of Mr Kim, Young So who retired from the Board pursuant to Clause 115 of the Constitution of the Company and being eligible, offered himself for re-election.

**6. ORDINARY RESOLUTION 5
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 5 is on the re-election of Datuk Siti Zauyah binti Md Desa who retired from the Board pursuant to Clause 122 of the Constitution of the Company and being eligible, offered herself for re-election.

**7. ORDINARY RESOLUTION 6
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 6 is on the re-election of Encik Ahmad Zubir bin Zahid who retired from the Board pursuant to Clause 122 of the Constitution of the Company and being eligible, offered himself for re-election.

**8. ORDINARY RESOLUTION 7
RE-ELECTION OF DIRECTOR**

The Company Secretary informed that Ordinary Resolution 7 is on the re-election of Ms Diana Tung Wan LEE who retired from the Board pursuant to Clause 122 of the Constitution of the Company and being eligible, offered himself for re-election.

**9. ORDINARY RESOLUTION 8
RE-APPOINTMENT OF DELOITTE PLT AS THE COMPANY'S AUDITORS AND TO
AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Company Secretary informed that Ordinary Resolution 8 is on the re-appointment of Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

**10. ORDINARY RESOLUTION 9
AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 76 OF THE
COMPANIES ACT 2016**

The Company Secretary informed that Ordinary Resolution 9 is to consider and if thought fit, pass an ordinary resolution to renew the general mandate to allot and issue shares of the Company not exceeding ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) pursuant to Section 76 of the Companies Act 2016.

**11. SPECIAL RESOLUTION
PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

The Company Secretary informed that the last Agenda to be transacted at the meeting, was to consider and if thought fit, pass a special resolution to approve the proposed alteration or amendments to the existing Constitution of the Company.

Shareholders and proxies were informed that the proposed amendments were to provide greater clarity to the Company's Constitution and enhance administrative efficiency as well as to remove any existing conditions, restrictions or limitations which may be the subject of prevailing exemptions prescribed by regulators arising from exceptional circumstances.

Tan Sri Chairman sought confirmation from the Company Secretary whether the Company had received any notice for transaction of other business which had been given in accordance with the Companies Act 2016. The Company Secretary confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

Shareholders and proxies were given another two (2) minutes to cast their votes. Tan Sri Chairman further conveyed that in his capacity as Chairman of the Meeting, he has been appointed as proxy for a number of shareholders and will be voting in accordance with the instructions given.

The Company Secretary declared the polling closed at 3.17 p.m. for the votes to be tabulated by the Poll Administrator and verified by the Scrutineer. The meeting resumed at 3.19 p.m. for the declaration of the results of the poll.

PRESENTATION ON FINANCIAL PERFORMANCE AND CORPORATE GOVERNANCE

1. ORDINARY RESOLUTION 1 DIRECTORS' FEES AND BENEFITS PAYABLE

Ordinary Resolution 1 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	713	No. of Shareholders:	98	
No. of Shares:	3,206,743,555	No. of Shares:	111,389	
% of Voted Shares:	99.9965	% of Voted Shares:	0.0035	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 1 was carried. Accordingly, it was RESOLVED:-

That the aggregate Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiary, Westports Malaysia Sdn Bhd of an amount not exceeding RM3.02 million from this Annual General Meeting until the next Annual General Meeting of the Company, to be paid monthly in arrears after each month of completed service of the Directors, be and are hereby approved.

2. ORDINARY RESOLUTION 2 RE-ELECTION OF DIRECTOR

Ordinary Resolution 2 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	728	No. of Shareholders:	75	
No. of Shares:	2,958,531,271	No. of Shares:	18,616,723	
% of Voted Shares:	99.3747	% of Voted Shares:	0.6253	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 2 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Tan Sri Ismail bin Adam be and is hereby re-elected as Director of the Company.

3. ORDINARY RESOLUTION 3 RE-ELECTION OF DIRECTOR

Ordinary Resolution 3 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	622	No. of Shareholders:	198	
No. of Shares:	3,156,983,734	No. of Shares:	50,037,610	
% of Voted Shares:	98.4397	% of Voted Shares:	1.5603	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 3 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Mr Sing Chi IP be and is hereby re-elected as Director of the Company.

4. ORDINARY RESOLUTION 4 RE-ELECTION OF DIRECTOR

Ordinary Resolution 4 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	734	No. of Shareholders:	67	
No. of Shares:	2,960,100,060	No. of Shares:	17,047,925	
% of Voted Shares:	99.4274	% of Voted Shares:	0.5726	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 4 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Mr Kim, Young So be and is hereby re-elected as Director of the Company.

5. ORDINARY RESOLUTION 5 RE-ELECTION OF DIRECTOR

Ordinary Resolution 5 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	746	No. of Shareholders:	65	Accepted
No. of Shares:	3,206,761,039	No. of Shares:	260,296	
% of Voted Shares:	99.9919	% of Voted Shares:	0.0081	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 5 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Datuk Siti Zauyah binti Md Desa be and is hereby re-elected as Director of the Company.

6. ORDINARY RESOLUTION 6 RE-ELECTION OF DIRECTOR

Ordinary Resolution 6 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	746	No. of Shareholders:	66	Accepted
No. of Shares:	3,206,760,946	No. of Shares:	260,396	
% of Voted Shares:	99.9919	% of Voted Shares:	0.0081	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 6 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Encik Ahmad Zubir bin Zahid be and is hereby re-elected as Director of the Company.

7. ORDINARY RESOLUTION 7 RE-ELECTION OF DIRECTOR

Ordinary Resolution 7 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	735	No. of Shareholders:	77	Accepted
No. of Shares:	3,202,425,862	No. of Shares:	4,595,480	
% of Voted Shares:	99.8567	% of Voted Shares:	0.1433	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 7 was carried. Accordingly, it was RESOLVED:-

That the retiring Director, namely Ms Diana Tung Wan LEE be and is hereby re-elected as Director of the Company.

**8. ORDINARY RESOLUTION 8
RE-APPOINTMENT OF DELOITTE PLT AS THE COMPANY'S AUDITORS AND TO
AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

Ordinary Resolution 8 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	753	No. of Shareholders:	57	Accepted
No. of Shares:	3,206,882,944	No. of Shares:	138,091	
% of Voted Shares:	99.9957	% of Voted Shares:	0.0043	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 8 was carried. Accordingly, it was RESOLVED:-

That Deloitte PLT be and is hereby re-appointed as the Auditors of the Company for the financial year ending 31 December 2022 at a fee to be determined by the Directors.

**9. ORDINARY RESOLUTION 9
AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 76 OF THE
COMPANIES ACT 2016**

Ordinary Resolution 9 was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	720	No. of Shareholders:	92	Accepted
No. of Shares:	3,089,157,865	No. of Shares:	117,863,470	
% of Voted Shares:	96.3248	% of Voted Shares:	3.6752	

Based on the above results, Tan Sri Chairman declared that Ordinary Resolution 9 was carried. Accordingly, it was RESOLVED:-

That pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the conclusion of the next Annual General Meeting upon such terms and conditions and or for such purposes, as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being, subject always to the approval of the relevant regulatory bodies being obtained for such allotment and issuance.

10. SPECIAL RESOLUTION PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

The Special Resolution was voted by poll and the results of the poll were presented to the meeting as follows:-

Votes in favour		Votes against		Results
No. of Shareholders:	701	No. of Shareholders:	112	Accepted
No. of Shares:	3,162,185,550	No. of Shares:	44,835,783	
% of Voted Shares:	98.6019	% of Voted Shares:	1.3981	

Based on the above results, Tan Sri Chairman declared that the Special Resolution was carried. Accordingly, it was RESOLVED:-

That the proposed alteration or amendments to the existing Constitution of the Company be and are hereby approved and adopted, with immediate effect.

And that the Directors of the Company be and are hereby authorised to assent to any conditions, modification, variation and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.

[The rest of this page was intentionally left blank]

CONCLUSION

There being no other business to be transacted, the Meeting concluded at 3.22 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN

Twenty-Ninth (29th) Annual General Meeting (AGM) of Westports Holdings Berhad ("Westports") on Tuesday, 25 April 2022

Below are the questions raised by MSWG. All the questions were duly answered during the AGM.

Strategy/Financial Matters

Question 1

Westports is working towards finalising details of the concession agreement with the Government of Malaysia to expand Westports container terminal CT10 to CT17.

- a. *When is the negotiation with the Government on the concession terms expected to be concluded?*

Westports 2.0 expansion plans were unveiled in August 2017 when the Company received the approval in principle from the Government to expand its container terminal facilities.

The project progressed gradually and transitioned towards negotiation with the Government on the concession agreement in the 2nd half of 2019. The Covid 19 pandemic over the past two years inadvertently slowed the negotiation progress.

Westports now hopes to conclude and finalise the concession terms by the 4th Quarter of 2022.

- b. *Of the eight new container terminals (CT10 to CT17), how many new container terminals are targeted to be built in the first phase of the expansion? and how long is the estimated construction period?*

The first phase of the expansion would entail the development of CT10 and CT11. The construction period is projected to be four years from the commencement date. Key developments needed are land reclamation, wharf and yard construction, and all terminal operating equipment commissioning.

- c. *To what extent will the construction of new terminals adjacent to the existing terminals disrupt the operation and the utilisation rate of the existing container terminals?*

The construction work at CT10, which is adjacent to the existing wharf and yard of CT9, would be planned in such a way that there would be minimal or no disruption to the current container terminal operations.

Westports has successfully expanded the container terminals from CT1 to CT9 without affecting ongoing operations.

Question 2

Westports, together with Klang Port Management Sdn Bhd (KPM), on a 50:50 basis, has acquired 100% stake in Port Klang Cruise Terminal Sdn Bhd (PKCT). The acquisition of the 50% equity interest in PKCT for a cash consideration of RM115m was completed in September 2021.

- a. *Based on the company announcement dated 19 March 2021, PKCT were loss making in 2017, 2018 and 2019, before the Covid 19 pandemic hit. It was also loss making in 4Q21, as depicted in the results announcement. How do Westports and KPM plan to turnaround the loss making cruise terminal business?*

The former Boustead Cruise Centre Sdn Bhd was loss making during the pre pandemic years mainly because of its high finance cost. Westports and KPM have acquired the company without assuming any former liabilities of Boustead Cruise Centre Sdn Bhd.

Hence, the financial position of PKCT would be much enhanced when the finance costs are excluded. As Malaysia and many regional countries reopen for tourism in 2022, the prospects for cruise business have improved, and PKCT is well positioned to benefit from this recovery.

- b. *What is the business plan for the adjacent land and a car park measuring 58.0 acres?*

Westports and KPM are still evaluating various business proposals.

The proposed business would capitalise on the adjacent land and car park characteristics while complementing the ongoing cruise terminal operations.

Question 3

In Westports Climate Change Assessment Report 2022, rising water level and wave action is rated as a high risk issue. It is deemed as a possible climate hazard that has a significant, negative long term effect on the critical assets, operation or systems of Container Berth CT1 to CT9, and Dry Bulk, Liquid Bulk and Breakbulk Berths, which could compromise the business continuity of the port.

What is the Board's view on this high risk climate change issue and what are the measures to be taken to mitigate the risks?

International engineering consultancy firm with a local presence, DHI, and Marine Ecosystems Research Centre (EKOMAR) from Universiti Kebangsaan Malaysia, conducted the Westports Climate Change Assessment study.

They have assessed the container and conventional berths as having High Risk exposure to rising sea levels.

However, the assessment timeframe is 60 years to 2080, with 2020 as the baseline period as stated on the first page of the Executive Summary.

Based on the current concession agreement, whereby Westports will operate the terminals until 2054, the soffit of the Container jetty beams the lower portion of the wharves, is expected to be subjected to water for only five days a year under the worst case scenario of RCP 8.5.

There is no risk of water exceedance to the upper portion or deck of the wharves.

Hence, based on DHI and EKOMAR's current findings in 2022, there should be no capital expenditure required for climate change mitigation to the existing wharves or jetties under the existing concession agreement.

Question 4

Westports' container throughput has grown exponentially from 20,000 TEUs in 1996 to 10.4m TEUs in 2021. In the long term, the company intends to double its container handling capacity from 13.6m TEUs in 2021 to 28m TEUs.

a. What were the key reasons for the growth in container throughput at Westports over the past 26 years?

The success of Westports is underpinned by its culture, which emphasises performance, innovation and family values, as the Company facilitates the growth of containerised requirements, especially for Klang Valley in Malaysia, while also capturing the growth of regional economies via transshipment as the latter expand with globalisation and now regionalisation of supply chain solutions.

b. What are the potential drivers/catalysts that could propel the future growth of container throughput at Westport and prompt the company to work on an expansion plan to double its container handling capacity in the long term?

The per capita GDP of Malaysia and regional ASEAN Asian countries has significant long term growth prospects as all these economies mature and develop.

As oceans surround these nations, shipping and containerised freight remain the primary logistic solution.

Westports will continue to capitalise on its strategic location to facilitate all these local and regional growths.

Corporate Governance Matters

Question 1

Practice 5.10 of Malaysian Code on Corporate Governance 2021: The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Westports' response: Departure (page 36 of Corporate Governance Report 2021).

MSWG's comment : Westports did not disclose measures it has taken or intend to take to enable the company to adopt the practice and timeframe required. As Westports is categorised as a large company (a company with market capitalisation of RM2b and above at the start of the company's financial year), the company is required to disclose the measures it has taken/intend to take together with the timeframe required.

Westports' response : The Company take note on the comments from MWSG and would disclose the measures and timeframe required moving forward.

The Board welcomes the push for greater diversity in the boardroom which can provide a more diverse approach to business decision making and the Company shared the view that a diverse Board will enhance decision making by harnessing the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the members of the Board.

The Company had on 28 July 2021 implemented Equal Employment Opportunity Policy which provides the same opportunities for hiring, rate for the job/experience, pay grades and rates, training and development, promotions and other terms of employment to everyone without discrimination due to characteristics such as race and ethnicity, skin colour, religion, sex / gender, sexual orientation, disability, age, marital status and nationality. The policy covers to all employees including the Board and senior management of the Group.

The Board has four female members, and Directors with ages ranging from the early-50s to late-60s, who have served on the Board for different tenures. The members of the Board with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction.

The Board has adopted the recommended target to achieve a level of at least 30% female representation on its Board. With the new appointments on the Board currently, it has achieved its target of 30% female representation.

Westports Holdings Berhad's Twenty-Ninth Annual General Meeting

Appendix II - Responses to Questions from Shareholders

(i) e-Vouchers

A few shareholders enquired on e-vouchers to which Datuk Ruben replied that Westports' observance of the best corporate governance practice rules out providing door gifts to shareholders attending General Meetings. He added that Westports provide good dividend payouts to shareholders in return as it is more appropriate and fair for the Company to show its appreciation towards the shareholders instead of distribution of e-vouchers.

(ii) Bonus Issue

In response to an enquiry raised by Mr Teh Peng Tin in relation to rewarding shareholders with bonus issue, Datuk Ruben replied that Westports focuses on declaring dividend instead of declaring bonus issue and would continue with the said approach. For financial year ended 31 December 2021, Westports had reverted to payout ratio of 75% after trimming it to 60% for year 2020. The Company had given out dividends amounting to RM 606 million for the financial year ended 31 December 2021.

(iii) Capital Expenditure Commitments budgeted RM 660.424 million in FY2021

Madam Koh Chooi Peng ("**Madam Koh**") requested for clarification on Capital Expenditure ("Capex") Commitments budgeted RM 660.424 million in FY2021 as stated in page 90 of the Annual Report 2021, (i) Details of the major Capex budgeted and expected to be incurred in FY2022 and (ii) Capex budgeted for the expansion of current capacities.

Datuk Ruben replied that the capital commitment of RM 660 million includes the acquisition of lands for Westports 2; replacing six (6) cranes; one hundred (100) terminal tractors; twenty-one (21) Rubber Tyred Gantry (RTG) cranes and other replacement Capex amounting to RM73 million. Datuk Ruben further added that majority of the Capex were designated for current facilities, such as replacement Capex for solar infrastructures and other maintenance Capex such as plant and equipment amounting to RM138 million, with exception to Marina Land.

(iv) Group's Borrowing Costs

Madam Koh further enquired on the Group's borrowing costs which ranged from 4.15%-5.38% as stated in page 89 of the Annual Report 2021 which comprises mostly of Sukuk Musharakah Medium Term Note ("SMTN"). In view of the expected increase in interest rates in 2022 onwards, what are the steps taken to 'lock-in' the current favorable borrowing rates and to reduce the negative impact of higher borrowing cost in the next few years.

Datuk Ruben replied that the interest rates for SMTN are locked in until the end of its tenure; hence, fluctuations would not occur. Datuk Ruben then informed that Management has no intention to undertake additional borrowings to avoid unnecessary interest payments arising from it which would cost more in the long run.

Westports Holdings Berhad's Twenty-Ninth Annual General Meeting

Appendix II - Responses to Questions from Shareholders

(v) Acquisition of Port Klang Cruise Terminal in year 2021

Madam Koh then enquired on the acquisition of Port Klang Cruise Terminal which was completed in year 2021 as stated in pages 77-78 and 91-92 of the Annual Report 2021. Madam Koh requested for (i) Board/Management to share plans on cruise terminal business; and (ii) The steps undertaken to enable the joint venture to regain profitability in view that the joint venture suffered a loss before tax in year 2021 with low revenue.

Datuk Ruben replied that the acquisition provided the Group with the opportunity to expand into cruise terminal business. He added that he foresees that the cruise business would see some reversion to the norm in the medium to longer term.

Datuk Ruben shared that although Port Klang Cruise Terminal had been suffering losses prior to the acquisition and the pandemic due to high gearing with borrowings, the joint venture would not be responsible for the debts.

The Management expects the business to return once tourism businesses reopen and is confident that cruise vessels would return by 4th quarter of this year, with countries announcing the full reopening of their borders.

(vi) Tuas Mega Port in Singapore

In response to Madam Koh's enquiry in relation to the demands for planned CT10-CT17 in view of the huge capabilities incoming from Tuas Mega Port in Singapore, Datuk Ruben replied that Tuas Mega Port has been in the market for over 10 years in terms of planning and designing etc. Westports had commenced studies on Tuas Mega Port and the market years ago before embarking on the decision for expansion.

In regard to a further enquiry on Westports capability to compete against Tuas Mega Port in terms of rates and facilities offered to shippers coming to the region as they have been reported to have commenced operations with initial offering of 20MT for its container facilities, Datuk replied that the Management is of the opinion that there are sufficient demand and market for growth for both Tuas Mega Port and Westports in the coming years. Datuk Ruben added that Westports had been competing with Singapore for many years and such expansion would ensure that Westports has to remain competitive moving forward to take on new challenges.

(vii) Competitive Advantages among other port operators in Singapore and Malaysia

In response to an enquiry raised by Mr Chua Song Yun, Datuk Ruben explained that the ability to turn around the vessel faster than competitors has been one of Westports' key advantage. Westports had always been responsive and fulfilling customer needs; hence, is known for good customer services.

Datuk Ruben added that the Company's strength has always been the location in the Straits of Malacca as well as the Company's corporate culture and values.

Westports Holdings Berhad's Twenty-Ninth Annual General Meeting

Appendix II - Responses to Questions from Shareholders

(viii) Impacts on oversea shipment during war

Mr Kow Lih Shi (“**Mr Kow**”) had enquired on (1) The impacts on oversea shipment during war and cost of shipments; (2) The reliance on US dollar for international shipment and whether profit margin is affecting the Company's revenue.

Datuk Ruben replied that the increasing fuel price resulted from the war has a direct impact on Westports as the Company is operating on diesel. With regards to reliance on US dollar, Datuk Ruben replied that Westports do not own ship cargoes; therefore, no involvement in freight rates.

Datuk Ruben clarified that only acquisition of crane equipment and fuel purchase involve US dollar while the remaining transactions are made in Ringgit Malaysia.

(ix) New rules and regulations implemented by Malaysian Government

Mr Kow enquired if Government's new rules and regulations for increase of exports, which in turn increases the country's Gross Domestic Product benefit Westports. Datuk Ruben explained that Malaysia Government has always encourage exports growth; the increase in export activities would in turn bring positive economic condition and propel earnings growth of the Group even further.

(x) Effect of International Trade

Mr Kow also enquired if accepting RMB and Thai Baht for settling border trade transaction would benefit the Company. Datuk Ruben replied that the origin of the cargo would not have any major impact on Westports as Malaysia Ringgit would be used for bills.

(xi) Flood and Fire Case Losses in Financial Year 2022

In response to the enquiry raised by Mr Kow, Datuk Ruben replied that the number of available staff reporting to work have been affected. Nonetheless there is no direct impact on Westports' operations.

Datuk Ruben also clarified that the losses on the fire incident would be announced together with the quarterly results.

(xii) Corporate Governance Practice

Mr Po Kwang Huei enquired if Westports observe the best corporate governance in approving the aggregate Directors' fee and benefits payable to the Non-Executive Directors. The Company Secretary replied that Westports had opted to aggregate instead of voting individually as the Board opined that such arrangement would be in the best interest of the company, following the changes to the board members during the year.

Westports Holdings Berhad's Twenty-Ninth Annual General Meeting

Appendix II - Responses to Questions from Shareholders

Nonetheless, the Directors' fees and benefits payable on named basis are made visible in the Annual Report 2021 of the Company.

(xiii) Addition Funds

In response to an enquiry raised by Mr Chan Chee Wai in relation to consideration for Dividend Reinvestment Plan/Free Warrants/Right Issues should there is a need to raise additional, Datuk Ruben replied that the Company would consider all kinds of ways including the abovementioned, when the need arises.

(xiv) Pay cut for Directors during Movement Control Order ("**MCO**")

Ms Chan Ngun Fong had enquired (i) If there is a pay cut for Directors during MCO with shareholders getting less dividends?; and (2) And if bonuses commensurate with the Company's performance?

Datuk Ruben replied that Westport's bonuses always commensurate with the Company's performance. He added that Westports' profit recorded historical high during MCO; hence, Westports has declared a higher dividend to the shareholders as compared to previous years while the Directors' fees remain unchanged.

(xv) Global Climate Change

Madam Koh opined that flood incidences may be a frequent occurrence especially in Klang area, following global climate change and enquired if Westports have preventive and risk mitigation plan in place to avoid operational disruption.

Datuk Ruben replied that the high tides in the Straits of Malacca and flood occurred in December 2021 was rare and it was a once in thirty-year event where such scenario would be difficult to ascertain and mitigate.