NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF WESTPORTS HOLDINGS BERHAD (“WHB”OR “COMPANY”) DATED 19 SEPTEMBER 2013 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at www.bursamalaysia.com (“**Website**”).

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Maybank Investment Bank Berhad or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The distribution of the Electronic Prospectus and the IPO are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Company, Promoters, Selling Shareholders, Principal Adviser, Joint Global Coordinators, Joint Bookrunners, the Managing Underwriter and Joint Underwriters named in the Electronic Prospectus have not authorised and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the Offer Shares in any jurisdiction other than Malaysia based on the Electronic Prospectus. Accordingly, the Electronic Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase the Offer Shares offered under the IPO in any jurisdiction or in any circumstances in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of the Electronic Prospectus and the sale of the Offer Shares offered under the IPO in certain jurisdictions may be restricted by law. Prospective investors are required to inform themselves of and to observe such restrictions.

This document is not for publication or distribution, directly or indirectly in whole or in part, in or into the United States of America ("**US**") (including its territories and possessions, any state of the US and the District of Columbia), Canada or Japan. This document does not constitute an offer to sell or issue or an invitation to acquire or subscribe for any securities of Westports Holdings Berhad in the US, Canada or Japan, or any other jurisdiction where it is unlawful to do so. The securities have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”), and may not be offered, sold, pledged or transferred within or into the US, except pursuant to an exemption under the US Securities Act. The securities are being offered and sold to investors outside the US in reliance on Regulation S under the US Securities Act and within the US only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act.

Close of Application

Application for the Offer Shares under the Retail Offering will open at 10:00 a.m. on 19 September 2013 and will remain open until 5:00 p.m. on 27 September 2013 or such other date or dates as the Directors, the Selling Shareholders and the Managing Underwriter may decide in their absolute discretion.

The Electronic Prospectus made available on the Website after the closing of the Retail Offering is made available solely for informational and archiving purposes. No securities will be offered, allotted or issued on the basis of the Electronic Prospectus after the closing of the Retail Offering.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

WESTPORTS

PROVEN. TRUSTED. FRIENDLY.

P.O. Box 266, Pulau Indah
42009 Port Klang
Selangor Darul Ehsan, Malaysia
Telephone no.: +603 3169 4000
Fax. no.: +603 3169 4119
Website address: www.westportsmalaysia.com
E-mail address: enquiries@westports.com.my

WESTPORTS HOLDINGS BERHAD (Company No.: 262761-A)

PROSPECTUS

PROSPECTUS

WESTPORTS

PROVEN. TRUSTED. FRIENDLY.

WESTPORTS HOLDINGS BERHAD

(Company No.: 262761-A)
(Incorporated in Malaysia under the Companies Act, 1965)

INITIAL PUBLIC OFFERING OF UP TO 813,190,000 ORDINARY SHARES OF RM0.10 EACH IN WESTPORTS HOLDINGS BERHAD ("**WHB**") ("**OFFER SHARES**") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE 3,410,000,000 ORDINARY SHARES OF RM0.10 EACH IN WHB ("**SHARES**") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING:

(I) INSTITUTIONAL OFFERING OF UP TO 710,890,000 OFFER SHARES TO MALAYSIAN AND FOREIGN INSTITUTIONAL AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("**INSTITUTIONAL PRICE**"); AND

(II) RETAIL OFFERING OF 102,300,000 OFFER SHARES TO THE MALAYSIAN PUBLIC, ELIGIBLE EMPLOYEES AND DIRECTORS OF WHB AND ITS SUBSIDIARIES ("**WHB GROUP**") AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF THE WHB GROUP, AT THE RETAIL PRICE OF RM2.50 PER OFFER SHARE ("**RETAIL PRICE**"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED HEREIN), IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AND THE OVER-ALLOTMENT OPTION (AS DEFINED HEREIN). THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF (I) THE RETAIL PRICE; AND (II) THE INSTITUTIONAL PRICE ("**FINAL RETAIL PRICE**").

Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter and Joint Underwriter

Maybank Investment Bank

Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Global Coordinators and Joint Bookrunners for the Institutional Offering

CREDIT SUISSE
Credit Suisse (Singapore) Limited
(Company Registration No.: 197702363D)

Goldman Sachs
Goldman Sachs (Singapore) Pte.
(Company Registration No.: 198602165W)

Joint Bookrunners for the Institutional Offering

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
(Company Registration No.: S16FC0010A)

Merrill Lynch (Singapore) Pte. Ltd.
(Company Registration No.: 198602883D)

RHB Investment Bank Berhad
(Company Registration No.: 19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Underwriters for the Retail Offering

AmInvestment Bank Berhad
(Company Registration No.: 23742-V)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

RHB Investment Bank Berhad
(Company Registration No.: 19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Hong Leong Investment Bank Berhad
(Company Registration No.: 10209-W)
(Formerly known as MIMB Investment Bank Berhad)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA.

THIS PROSPECTUS IS DATED 19 SEPTEMBER 2013

OUR DIRECTORS, THE PROMOTERS AND THE SELLING SHAREHOLDERS (BOTH AS DEFINED HEREIN), HAVE SEEN AND APPROVED THIS PROSPECTUS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PROSPECTUS. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THAT THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING.

MAYBANK INVESTMENT BANK BERHAD ("**MAYBANK IB**") AS THE PRINCIPAL ADVISER, JOINT GLOBAL COORDINATOR AND JOINT BOOKRUNNER FOR THE INSTITUTIONAL OFFERING AND, MANAGING UNDERWRITER AND JOINT UNDERWRITER FOR THE RETAIL OFFERING IN RELATION TO OUR INITIAL PUBLIC OFFERING ("**IPO**"), ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING OUR IPO.

IT IS TO BE NOTED THAT THE ROLES OF CREDIT SUISSE (SINGAPORE) LIMITED AND GOLDMAN SACHS (SINGAPORE) PTE. IN OUR IPO ARE LIMITED TO BEING A JOINT GLOBAL COORDINATOR AND A JOINT BOOKRUNNER FOR THE INSTITUTIONAL OFFERING OUTSIDE MALAYSIA ONLY. NONE OF THEM HAVE ANY ROLE IN, AND EACH OF THEM DISCLAIMS ANY RESPONSIBILITY FOR THE INSTITUTIONAL OFFERING AND RETAIL OFFERING IN MALAYSIA.

IT IS TO BE NOTED THAT THE ROLES OF THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SINGAPORE BRANCH AND MERRILL LYNCH (SINGAPORE) PTE. LTD. IN OUR IPO ARE LIMITED TO BEING A JOINT BOOKRUNNER FOR THE INSTITUTIONAL OFFERING OUTSIDE MALAYSIA ONLY. NONE OF THEM HAVE ANY ROLE IN, AND EACH OF THEM DISCLAIMS ANY RESPONSIBILITY FOR THE INSTITUTIONAL OFFERING AND THE RETAIL OFFERING IN MALAYSIA.

THE SECURITIES COMMISSION MALAYSIA ("**SC**") HAS APPROVED OUR IPO AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE IN THIS PROSPECTUS BY US. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS THAT YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF OUR IPO AND THE INVESTMENT IN OUR SHARES. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS, BEFORE APPLYING FOR OUR SHARES.

OUR COMPANY HAS OBTAINED THE APPROVAL OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") FOR THE LISTING OF AND QUOTATION FOR OUR SHARES. OUR ADMISSION TO THE OFFICIAL LIST OF THE MAIN MARKET OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR IPO, OUR COMPANY OR OUR SHARES.

A COPY OF THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORM HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES MALAYSIA WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("**CMSA**").

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING OUR IPO FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

OUR SHARES ARE CLASSIFIED AS SHARIAH-COMPLIANT BY THE SHARIAH ADVISORY COUNCIL OF THE SC ("**SAC OF THE SC**") BASED ON OUR LATEST AUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 AND THIS CLASSIFICATION REMAINS VALID FROM THE DATE OF ISSUE OF THIS PROSPECTUS UNTIL THE NEXT SHARIAH COMPLIANCE REVIEW UNDERTAKEN BY THE SAC OF THE SC. UPDATES ON THE CLASSIFICATION WILL BE RELEASED IN THE UPDATED LIST OF SHARIAH-COMPLIANT SECURITIES ON THE LAST FRIDAY OF THE MONTH OF MAY AND NOVEMBER OF EACH YEAR.

YOU SHOULD NOTE THAT ANY AGREEMENT BY THE MANAGING UNDERWRITER AND THE JOINT UNDERWRITERS NAMED IN THIS PROSPECTUS TO UNDERWRITE OUR SHARES UNDER THE RETAIL OFFERING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR SHARES BEING OFFERED.

THE DISTRIBUTION OF THIS PROSPECTUS AND OUR IPO ARE SUBJECT TO THE LAWS OF MALAYSIA. THIS PROSPECTUS WILL NOT BE DISTRIBUTED OUTSIDE MALAYSIA EXCEPT INSOFAR AS IT IS PART OF THE OFFERING MEMORANDUM DISTRIBUTED TO FOREIGN INSTITUTIONAL INVESTORS OUTSIDE MALAYSIA IN CONNECTION WITH OUR IPO. OUR COMPANY, THE PROMOTERS, THE SELLING SHAREHOLDERS, THE PRINCIPAL ADVISER, THE JOINT GLOBAL COORDINATORS, THE JOINT BOOKRUNNERS, THE MANAGING UNDERWRITER AND THE JOINT UNDERWRITERS NAMED IN THIS PROSPECTUS HAVE NOT AUTHORISED AND TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS OUTSIDE MALAYSIA EXCEPT INSOFAR AS IT IS PART OF THE OFFERING MEMORANDUM DISTRIBUTED TO FOREIGN INSTITUTIONAL INVESTORS OUTSIDE MALAYSIA IN CONNECTION WITH OUR IPO. NO ACTION HAS BEEN TAKEN TO PERMIT ANY OFFERING OF OUR SHARES BASED ON THIS PROSPECTUS IN ANY JURISDICTION OTHER THAN MALAYSIA. ACCORDINGLY, THIS PROSPECTUS MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE AN OFFER FOR SUBSCRIPTION OR PURCHASE OR INVITATION TO SUBSCRIBE FOR OR PURCHASE SHARES OFFERED UNDER OUR IPO IN ANY JURISDICTION OR IN ANY CIRCUMSTANCE IN WHICH SUCH AN OFFER IS NOT AUTHORISED OR LAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND THE SALE OF OUR SHARES OFFERED UNDER OUR IPO IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PROSPECTIVE INVESTORS WHO MAY BE IN POSSESSION OF THIS PROSPECTUS ARE REQUIRED TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS PROSPECTUS IS PUBLISHED SOLELY IN CONNECTION WITH OUR IPO. OUR SHARES BEING OFFERED IN OUR IPO ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED AND REPRESENTATIONS MADE IN THIS PROSPECTUS. OUR COMPANY, THE PROMOTERS, THE SELLING SHAREHOLDERS, THE PRINCIPAL ADVISER, THE JOINT GLOBAL COORDINATORS, THE JOINT BOOKRUNNERS, THE MANAGING UNDERWRITER AND THE JOINT UNDERWRITERS HAVE NOT AUTHORISED ANYONE TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS. ANY INFORMATION OR REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY OUR COMPANY, THE PROMOTERS, THE SELLING SHAREHOLDERS, THE PRINCIPAL ADVISER, THE JOINT GLOBAL COORDINATORS, THE JOINT BOOKRUNNERS AND THE MANAGING UNDERWRITER AND THE JOINT UNDERWRITERS OR ANY OF THEIR RESPECTIVE DIRECTORS OR ANY OTHER PERSONS INVOLVED IN OUR IPO.

THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM THE WEBSITE OF BURSA MALAYSIA BERHAD AT www.bursamalaysia.com.

THIS PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF AN IPO UNDER THE LAWS OF MALAYSIA. IT DOES NOT COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA, AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR BY ANY REGULATORY AUTHORITY OF ANY JURISDICTION OTHER THAN MALAYSIA.

OUR SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES OF AMERICA ("**US**") SECURITIES ACT OF 1933, AS AMENDED ("**US SECURITIES ACT**"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR TRANSFERRED WITHIN OR INTO THE US, EXCEPT PURSUANT TO AN EXEMPTION UNDER THE US SECURITIES ACT. OUR SHARES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE US SECURITIES ACT AND WITHIN THE UNITED STATES ONLY TO QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE ON RULE 144A UNDER THE US SECURITIES ACT.

OUR SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE US OR ANY OTHER US REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF OUR IPO OR CONFIRMED THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE US.

ELECTRONIC PROSPECTUS

THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITES OF MALAYAN BANKING BERHAD AT www.maybank2u.com.my, CIMB INVESTMENT BANK BERHAD AT www.eipocimb.com, CIMB BANK BERHAD AT www.cimbclicks.com.my, RHB BANK BERHAD AT www.rhb.com.my, AFFIN BANK BERHAD AT www.affinOnline.com AND PUBLIC BANK BERHAD AT www.pbebank.com.

THE INTERNET IS NOT A FULLY SECURE MEDIUM. YOUR INTERNET SHARE APPLICATION (AS DEFINED HEREIN) MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS (AS DEFINED HEREIN). THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. IF YOU DOUBT THE VALIDITY OR INTEGRITY OF THE ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM US OR THE ISSUING HOUSE, A PAPER OR PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER OR PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER OR PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES ("**THIRD PARTY INTERNET SITES**"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, YOU ACKNOWLEDGE AND AGREE THAT:

(I) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF OR THE CONTENT OR ANY DATA, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;

(II) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY OF THE TERMS OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILE OR OTHER MATERIAL PROVIDED IN THE THIRD PARTY INTERNET SITES; AND

(III) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT YOUR OWN DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEMS OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILE OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, YOU ARE ADVISED THAT:

(I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES;

(II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURE MEDIUM; AND

(III) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, THAT YOU OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON YOUR OR ANY THIRD PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE INFORMATION BEING DOWNLOADED OR DISPLAYED ON YOUR PERSONAL COMPUTER.

INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Event	Date
Opening of the Institutional Offering[1]	19 September 2013
Issuance of Prospectus/Opening of the Retail Offering	10.00 a.m., 19 September 2013
Closing of the Retail Offering	5.00 p.m., 27 September 2013
Closing of the Institutional Offering	1 October 2013
Price Determination Date	1 October 2013
Balloting of applications for the Offer Shares under the Retail Offering	2 October 2013
Transfer of the Offer Shares to successful applicants	16 October 2013
Listing	18 October 2013

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on 6 September 2013.

Applications for the Offer Shares offered under the Retail Offering will close at the time and on the date stated above or such other date or dates as our Directors, the Selling Shareholders and the Managing Underwriter may decide in their absolute discretion. The Institutional Offering will close on the date stated above or such other date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting, transfer of the Offer Shares and the Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

All terms used in this Prospectus are defined under "Presentation of Financial and Other Information", "Definitions" and "Glossary of Technical Terms" commencing on pages x, xiv and xxiii, respectively.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" or "WHB" in this Prospectus are to Westports Holdings Berhad. All references to "our Group" or "WHB Group" in this Prospectus are to our Company and our subsidiaries as a whole. References to "we", "us", "our" and "ourselves" are to our Company and where the context requires, our Company and our subsidiaries.

All references to the "Selling Shareholders" are to PRSB, DISB, SASB, SPIH and LVSB and all references to the "Promoters" are to PRSB, DISB, SASB, Tan Sri Datuk Gnanalingam a/l Gunanath Lingam and Ruben Emir Gnanalingam Bin Abdullah.

All references to "you" are to our prospective investors.

In this Prospectus, references to the "GOM" are to the Government of Malaysia and references to "RM" and "sen" are to the lawful currency of Malaysia. Any discrepancies in the tables between the amounts listed and totals in this Prospectus are due to rounding. Other abbreviations used herein are defined in the "Definitions" section and certain acronyms and technical terms used herein are defined in the "Glossary of Technical Terms" section. Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. References to persons shall include companies and corporations.

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a time or date shall be a reference to Malaysian time and date, unless otherwise stated.

References to the "LPD" in this Prospectus are to 26 August 2013, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC. All of our operational data that are contained in this Prospectus is presented as at 30 June 2013 unless otherwise stated.

The information on our website or any website directly or indirectly linked to such website is not incorporated by reference into this Prospectus and should not be relied on.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate and our estimated market share in the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the Executive Summary of the IMR Report prepared by Drewry Maritime Advisors for inclusion in this Prospectus. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate. However, we, the Promoters, Selling Shareholders, Principal Adviser, Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters and their respective advisers have not independently verified these data and projections. None of our Company, the Promoters, Selling Shareholders, Principal Adviser, Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters and their respective advisers make any representation as to the correctness, accuracy or completeness of such data and projections and accordingly, you should not place undue reliance on the statistical data and projections cited in this Prospectus.

Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurances are or can be given that the estimated figures will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

"EBITDA", as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the IFRS and the MFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the IFRS and the MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with the IFRS and the MFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-IFRS and non-MFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and potential investors should not consider it in isolation from, or as a substitute for, analysis of our financial condition or results of operations, as reported under the IFRS and the MFRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminologies such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- our future overall business development and operations;
- our future financial performance and financing plans;
- potential growth opportunities;
- our business strategies, trends and future plans;
- competitive position and effects of competition;
- objectives of our Company for future operations;
- the general industry environment, including the demand and supply for our services; and
- the regulatory environment and the effects of future regulation.

Actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors, including, without limitation:

- the continued availability of capital and financing;
- interest rates and foreign exchange rates;
- taxes and duties;
- fixed and contingent obligations and commitments;
- the competitive environment of the industry in which we operate;
- the activities and financial position of our customers, suppliers and other business partners;
- the general economic and business conditions;
- the political, economic and social developments, and demand and supply for our services;

- delays, cost overruns, shortages in skilled and unskilled resources or other changes that impact the execution of our expansion plans;
- significant capital expenditure requirements;
- future regulatory or government policy changes affecting us or the industry in which we operate;
- liability for remedial actions under environmental and/or health and safety regulations;
- the cost and availability of adequate insurance coverage;
- changes in accounting practices; and
- other factors which may or may not be within our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 5 of this Prospectus on "Risk Factors" and Section 12.2 of this Prospectus on "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD. Save as required by sub-section 238(1) of the CMSA and Paragraph 1.02 of the Prospectus Guidelines (Supplementary and Replacement Prospectus), we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

Act	:	Companies Act, 1965, as amended, supplemented or modified from time to time and any re-enactment thereof
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting
AmInvestment	:	AmInvestment Bank Berhad
Application Form	:	Application form for the application of the Offer Shares under the Retail Offering accompanying this Prospectus
ATM	:	Automated teller machine
Bank Pembangunan	:	Bank Pembangunan Malaysia Berhad
Board	:	Our Board of Directors
BofAML	:	Merrill Lynch (Singapore) Pte. Ltd.
Bonus Issue	:	Bonus issue of 183,000,000 Bonus Shares on the basis of approximately 1.56 Bonus Shares for every one (1) Pre-subdivided WHB Share, which were credited as fully paid-up by way of capitalising RM183,000,000 from our Company's retained earnings and share premium, undertaken as part of the Pre-Listing Exercise
Bonus Shares	:	New Pre-subdivided WHB Shares issued and credited as fully paid-up pursuant to the Bonus Issue
Bursa Depository or Central Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CAGR	:	Compounded annual growth rate
CDS	:	Central Depository System
CFO	:	Certificate of fitness for occupation or certificate of completion and compliance
CMSA	:	Capital Markets and Services Act, 2007, as amended, supplemented or modified from time to time and any re-enactment thereof
Construction	:	Revenue recorded in accordance with IC Interpretation 12 in relation to the construction of port related infrastructure under the Privatisation Agreement

Cornerstone Investors	:	Collectively, Permodalan Nasional Berhad, Kumpulan Wang Persaraan (Diperbadankan), Employees Provident Fund Board, RHB Investment Management Sdn Bhd, Hwang Investment Management Bhd, Hong Leong Assurance Berhad, AIA Bhd, Genesis Investment Management, LLP, Utilico Emerging Markets Ltd
Credit Suisse	:	Credit Suisse (Singapore) Limited
Customs	:	Royal Malaysian Customs Department
DISB	:	Dinamik Imbangan Sdn Bhd
Directors	:	Directors of our Company
Drewry Maritime Advisors	:	Drewry Maritime Services (Asia) Pte Ltd, an independent market researcher
EBITDA	:	Earnings before finance income and finance costs, taxation and depreciation and amortisation
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-Roms or floppy disks
Electronic Share Application	:	Application for the Offer Shares under the Retail Offering through a Participating Financial Institution's ATM
Eligible Employees	:	Eligible employees of our Group
EPS	:	Earnings per share
EPU	:	Economic Planning Unit - Prime Minister's Department Malaysia
Equity Guidelines	:	Equity Guidelines issued by the SC, as amended, supplemented or modified from time to time
Facilitation Fund Agreement	:	The facilitation fund agreement dated 21 February 2012 (as supplemented and amended by a supplemental agreement dated 23 July 2012) between the GOM, Bank Pembangunan and WMSB
Final Retail Price	:	Final price per Offer Share to be paid by investors pursuant to the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
GOM	:	Government of Malaysia
Goldman Sachs	:	Goldman Sachs (Singapore) Pte.
HLIB	:	Hong Leong Investment Bank Berhad *(formerly known as MIMB Investment Bank Berhad)*
HPH	:	Hutchison Port Holdings Limited

HSBC	:	The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
Hutchison Group	:	Collectively, HWL, its subsidiaries, associated companies and jointly controlled entities
HWL	:	Hutchison Whampoa Limited
IC 12	:	IC Interpretation 12 in relation to the construction of port related infrastructure under the Privatisation Agreement and is recognised based on the stage of completion of the work performed
ICULS	:	Irredeemable convertible unsecured loan stocks
IFRS	:	International Financial Reporting Standards
IMR Report	:	Independent market research report dated 26 August 2013 prepared by Drewry Maritime Advisors
Institutional Offering	:	Offering of up to 710,890,000 Offer Shares at the Institutional Price, subject to the clawback and reallocation provisions and the Over-Allotment Option, to be offered to the following: (i) Malaysian institutional and selected investors, including Bumiputera investors approved by the MITI; (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and (iii) QIBs in the United States in reliance on Rule 144A or pursuant to an applicable exemption from registration under the US Securities Act
Institutional Price	:	Price per Offer Share to be paid by investors pursuant to the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
International Placement Agreement	:	Placement agreement to be entered into between our Company, the Selling Shareholders and the international placement managers named therein, in respect of the placement of the Offer Shares offered under the Institutional Offering to institutional and selected investors outside Malaysia
Internet Participating Financial Institution	:	The participating financial institution for the Internet Share Application
Internet Share Application	:	Application for the Offer Shares under the Retail Offering through an Internet Participating Financial Institution
IPO	:	Initial public offering comprising the Offer for Sale of up to 813,190,000 Offer Shares

IPO Trust Scheme	:	The trust scheme instituted by PRSB pursuant to a trust deed dated 5 September 2013 for the benefit of Eligible Employees who wish to participate in our IPO
ISPS Code	:	International Ship and Port Facility Security Code
Issuing House or MIH	:	Malaysian Issuing House Sdn Bhd
Joint Bookrunners	:	Collectively, Maybank IB, Credit Suisse, Goldman Sachs, BofAML, HSBC and RHB
Joint Global Coordinators	:	Collectively, Maybank IB, Credit Suisse and Goldman Sachs
Joint Underwriters	:	Collectively, Maybank IB, AmInvestment, RHB and HLIB
KNB	:	Khazanah Nasional Berhad
Lease Agreement	:	The lease agreement dated 25 July 1994 (as supplemented and amended by a supplemental lease agreement dated 27 March 1999 and a second supplemental lease agreement dated 25 April 2013) between PKA as the lessor and Kelang Multi Terminal Sdn Bhd (now known as WMSB) as the lessee
Listing	:	Listing of and quotation for the entire existing issued and paid-up share capital of our Company on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as amended, supplemented or modified from time to time
LME	:	London Metal Exchange
LPD	:	26 August 2013, being the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC
LVSB	:	Lankayan Ventures Sdn Bhd, a wholly-owned subsidiary of KNB
Malaysian Placement Agreement	:	Placement agreement to be entered into between our Company, the Selling Shareholders and the Malaysian placement managers named therein, in respect of the placement of the Offer Shares offered under the Institutional Offering to Malaysian institutional and selected investors, including Bumiputera investors approved by the MITI
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia but excludes the directors and the substantial shareholders of our Group, as well as their associates
Managing Underwriter	:	Maybank IB
Market Day	:	A day on which Bursa Securities is open for trading in securities

MAQIS	:	Malaysian Quarantine & Inspection Services
Maybank IB	:	Maybank Investment Bank Berhad
MCCG 2012	:	Malaysian Code on Corporate Governance 2012
MFRS	:	Malaysian Financial Reporting Standards
MITI	:	Ministry of International Trade and Industry
MOF Inc. or Special Shareholder	:	Minister of Finance, a body corporate established under the Minister of Finance (Incorporation) Act, 1957
MSA	:	The management services agreement dated 1 January 2001 between PRSB and Kelang Multi Terminal Sdn Bhd (now known as WMSB)
MSA Termination	:	The termination of the MSA in conjunction with our Listing, whereupon neither PRSB nor WMSB shall have any right against each other pursuant to the MSA
NA	:	Net assets
National Development Policy	:	A policy established by the GOM in 1991 which sets out economic initiatives and broad policies and strategies for the enhancement of Malaysia's economic development
NBV	:	Net book value
Noble Cotton	:	Noble Cotton Pte Ltd
Northport	:	A port situated in Port Klang and operated by Northport (Malaysia) Bhd, a wholly-owned subsidiary of NCB Holdings Berhad. The port includes Southpoint (formerly known as Southport)
Offer for Sale	:	Offer for sale of up to 710,890,000 Offer Shares under the Institutional Offering and 102,300,000 Offer Shares under the Retail Offering by the Selling Shareholders, subject to the terms and conditions of this Prospectus
Offer Shares	:	Existing WHB Shares to be offered by the Selling Shareholders pursuant to this IPO
Official List of the Main Market of Bursa Securities	:	A list specifying all securities listed on Bursa Securities
Over-Allotment Option	:	An over-allotment option granted by the Over-Allotment Option Providers to the Stabilising Manager (on behalf of the Placement Managers) as set out in Section 4.3.4 of this Prospectus
Over-Allotment Option Providers	:	Collectively, PRSB, SASB, SPIH and LVSB

Participating Financial Institution	:	A participating financial institution for the Electronic Share Application
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PINK Application Form	:	Application form for the application of the Offer Shares under the Retail Offering by the Eligible Employees, Directors and persons who have contributed to the success of our Group, accompanying this Prospectus
PKA	:	Port Klang Authority
PKFZ	:	Port Klang Free Zone
Placement Managers	:	Collectively, Maybank IB, Credit Suisse, Goldman Sachs, BofAML, HSBC and RHB
Placement Agreements	:	Collectively, the International Placement Agreement and the Malaysian Placement Agreement
Port Authorities Act	:	Port Authorities Act, 1963 as amended, supplemented or modified from time to time and any re-enactment thereof
Port Licence	:	The licence (including a supplemental licence) to operate, manage and maintain the port operations that was issued to WMSB by the PKA pursuant to the power and authority conferred to it under the Port Authorities Act and the Ports Privatisation Act
Ports Privatisation Act	:	Ports (Privatisation) Act, 1990 as amended, supplemented or modified from time to time and any re-enactment thereof
Pre-Listing Exercise	:	Collectively, the Bonus Issue, Subdivision of Shares, Special Dividend and Shares Subscription as set out in Section 6.2 of this Prospectus
Pre-subdivided WHB Shares	:	Ordinary shares of RM1.00 each in WHB
Price Determination Date	:	The date on which the Institutional Price and the Final Retail Price will be determined
Principal Adviser	:	Maybank IB
Privatisation Agreement	:	The privatisation agreement dated 25 July 1994 (as supplemented and amended by a supplemental agreement dated 27 March 1999 and a second supplemental agreement dated 15 January 2010) between the GOM, PKA and Kelang Multi Terminal Sdn Bhd (now known as WMSB)
Promoters	:	Collectively, PRSB, DISB, SASB, Tan Sri Datuk Gnanalingam a/l Gunanath Lingam and Ruben Emir Gnanalingam Bin Abdullah

Prospectus Guidelines	:	Prospectus Guidelines - Equity issued by the SC under section 377, paragraph 235(1)(f) and subsection 237(2) of the CMSA, as amended, supplemented or modified from time to time
PRSB	:	Pembinaan Redzai Sdn Bhd
Puspakom	:	Puspakom Sdn Bhd
QIBs	:	Qualified institutional buyers, as defined in Rule 144A
Record of Depositors	:	A record of securities holders established by Bursa Depository pursuant to the rules of Bursa Depository
Regulation S	:	Regulation S under the US Securities Act
Retail Offering	:	Offering of 102,300,000 Offer Shares at the Retail Price, subject to the clawback and reallocation provisions, to be allocated in the following manner: (i) 34,100,000 Offer Shares reserved for application by the Eligible Employees, Directors and persons who have contributed to the success of our Group; and (ii) 68,200,000 Offer Shares for application by the Malaysian Public, via balloting
Retail Price	:	The initial price of RM2.50 per Offer Share to be fully paid upon application under the Retail Offering subject to the adjustment as detailed in Section 4.7 of this Prospectus
Retail Underwriting Agreement	:	The retail underwriting agreement dated 6 September 2013 between our Company, the Selling Shareholders, the Managing Underwriter and the Joint Underwriters in relation to the underwriting of the Offer Shares under the Retail Offering
RHB	:	RHB Investment Bank Berhad
Rule 144A	:	Rule 144A under the US Securities Act
SAC of the SC	:	Shariah Advisory Council of the SC
SASB	:	Semakin Ajaib Sdn Bhd
SC	:	Securities Commission Malaysia
Scheme Shares	:	Up to 8,000,000 Shares set aside by PRSB with the Trustee to be held on trust and to be made available for the benefit of the Eligible Employees as beneficiaries under the IPO Trust Scheme
Selling Shareholders	:	Collectively, PRSB, DISB, SASB, SPIH and LVSB, being the parties undertaking the Offer for Sale

Share Lending Agreement	:	The agreement to be entered into by the Over-Allotment Option Providers and the Stabilising Manager under which the Over-Allotment Option Providers will lend Shares to the Stabilising Manager to cover over-allotments, if any
Shares Subscription	:	Subscription of 410,000,000 new Shares by PRSB and SPIH at an issue price of RM1.80 for each new Share, undertaken as part of the Pre-Listing Exercise
SICDA	:	Securities Industry (Central Depositories) Act, 1991, as amended, supplemented or modified from time to time and any re-enactment thereof
SIRIM	:	SIRIM Berhad
SMTN I	:	A 15-year Sukuk Musharakah Medium Term Note programme available for the issuance of an aggregate nominal value of RM800.0 million
SMTN II	:	A 20-year Sukuk Musharakah Medium Term Note programme available for the issuance of an aggregate nominal value of RM2.0 billion
SMTN Programmes	:	Collectively, the SMTN I and SMTN II
SPIH	:	South Port Investment Holdings Limited
Special Dividend	:	A special cash dividend payout by WHB of RM738,000,000 funded by the dividend income receivable from WMSB, undertaken as part of the Pre-Listing Exercise
Special Share	:	One (1) special share of RM1.00 in WMSB held by MOF Inc.
Sq m	:	Square metres
Stabilising Manager	:	Maybank IB
Subdivision of Shares	:	Subdivision of every one (1) Pre-subdivided WHB Share into ten (10) Shares, undertaken as part of the Pre-Listing Exercise
Trustee	:	Maybank Trustees Berhad
UK	:	United Kingdom
UKAS	:	Public Private Partnership Unit (Unit Kerjasama Awam Swasta) of the Prime Minister's Department
US Securities Act	:	United States Securities Act of 1933, as amended, supplemented or modified from time to time and any re-enactment thereof
US or United States	:	United States of America

Westports	:	An integrated port strategically located along the Asia-Europe and intra-Asian shipping lanes within the Straits of Malacca, one of the busiest waterways in the world located at Pulau Indah, Port Klang, approximately 40 kilometres west of Malaysia's capital city of Kuala Lumpur
Westports Development Plan	:	The plan as issued by the PKA from time to time which sets out the construction and development milestones for Westports
WHB or Company	:	Westports Holdings Berhad
WHB Group or Group	:	Collectively, WHB and its subsidiaries
WHB Shares or Shares	:	Ordinary shares of RM0.10 each in our Company

CURRENCY

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
US$ or US Dollar	:	United States Dollar, the lawful currency of the United States

SUBSIDIARIES

WMSB	:	Westports Malaysia Sdn Bhd
VTCM	:	Vehicle Transit Centre (Malaysia) Sdn Bhd (In Liquidation)

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GLOSSARY OF TECHNICAL TERMS

CFS	:	Container freight station
COSMOS	:	The container terminal operating system developed by Cosmos N.V. and used by Westports
CT6	:	Container terminal with a 600-metre berth and 24.3 hectares of container yard, which became fully operational during the first quarter of 2013
CT6 Phase I	:	Initial segment of CT6 which began construction in September 2010 and was completed in October 2011
CT6 Phase II	:	Final segment of CT6 which began construction in March 2012 and was completed in March 2013
CT7	:	Additional planned 52.3 hectare container terminal with a 600-metre berth, currently expected to be fully operational in 2015
CT8	:	Additional planned 58.5 hectare container terminal with a 600-metre berth, the completion date for which is dependent on market conditions
CT9	:	Additional planned 58.7 hectare container terminal with a 600-metre berth, the completion date for which is dependent on market conditions
e-Terminal Plus	:	Westports' customer portal which is an interactive digital delivery system that allows customers to exchange information with Westports electronically
EDI system	:	Electronic data interchange system
EDI	:	Electronic data interchange
Fastport standard	:	Internally developed standards relating to conventional cargo created by WMSB to incentivise its employees to perform efficiently by rewarding employees if certain management-determined benchmarks are met or exceeded
IAPH	:	International Association of Ports and Harbors
Import/Export	:	Import/export cargo, also known as "local" or "gateway" traffic
IT	:	Information technology
MLO	:	Main line operator
Moves Per Hour	:	Moves per hour, where a "move" generally entails movement of cargo from either a vessel to the container yard or from the container yard to a vessel for subsequent transportation
NGCCS	:	New Generation Conventional Cargo System, Westports' IT solution to cover the automation of non-containerised cargo activities
OHSAS	:	Occupational Health and Safety Assessment Specification
reefer	:	Refrigerated container

GLOSSARY OF TECHNICAL TERMS *(cont'd)*

RORO	:	Roll-on roll-off cargo service
RTG	:	Rubber tyred gantry crane
TEU	:	Twenty-foot equivalent unit

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1. CORPORATE DIRECTORY

DIRECTORS

Name	Address	Nationality	Profession
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam *(Non-Independent Executive Chairman)*	No. 8, Dalaman Tunku Bukit Tunku 50480 Kuala Lumpur Malaysia	Malaysian	Company Director
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil *(Independent Non-Executive Director)*	No. 5, Jalan Penaga Taman Bandaraya 59100 Kuala Lumpur Malaysia	Malaysian	Company Director
Ruben Emir Gnanalingam Bin Abdullah *(Chief Executive Officer)*	Unit 82, Kiara Hills No. 1 Jalan 32/70A Taman Sri Hartamas 50480 Kuala Lumpur Malaysia	Malaysian	Company Director
John Edward Wenham Meredith *(Non-Independent Non-Executive Director)*	15, Silver Terrace Road Bella Vista, House No. 1 A Kung Wan, New Territories Hong Kong	British	Company Director
Ip Sing Chi *(Non-Independent Non-Executive Director)*	29A Horizon Drive Chung Hom Kok Hong Kong	Chinese	Company Director
Chan Chu Wei *(Non-Independent Non-Executive Director)*	No. 7, Jalan TR 2/3 Tropicana Golf & Country Resort 47410 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Company Director
Dato' Abdul Rahim Bin Abu Bakar *(Independent Non-Executive Director)*	45, Jalan H-13, Phase 5 Taman Melawati 53100 Kuala Lumpur Malaysia	Malaysian	Company Director
Dato' Yusli Bin Mohamed Yusoff *(Independent Non-Executive Director)*	49, Jalan Seri Beringin 2 Bukit Damansara 50490 Kuala Lumpur Malaysia	Malaysian	Company Director
Jeyakumar a/l T Palakrishnar *(Independent Non-Executive Director)*	7, Jalan SS3/60 47300 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Advocate & Solicitor and Company Director

1. CORPORATE DIRECTORY *(cont'd)*

DIRECTORS *(Cont'd)*

Name	Address	Nationality	Profession
Tan Sri Ismail Bin Adam *(Independent Non-Executive Director)*	No. 141, Jalan Athinahappan 1 Taman Tun Dr. Ismail 60000 Kuala Lumpur Malaysia	Malaysian	Company Director
Kim, Young So *(Independent Non-Executive Director)*	Kwangjang Apt #5-702 Yoido-Dong Youngdeungpo-Ku Seoul Korea	Korean	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Dato' Yusli Bin Mohamed Yusoff	Chairman	Independent Non-Executive Director
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	Member	Independent Non-Executive Director
Dato' Abdul Rahim Bin Abu Bakar	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	Chairman	Independent Non-Executive Director
Dato' Abdul Rahim Bin Abu Bakar	Member	Independent Non-Executive Director
Ruben Emir Gnanalingam Bin Abdullah	Member	Chief Executive Officer

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Name	Designation	Directorship
Dato' Abdul Rahim Bin Abu Bakar	Chairman	Independent Non-Executive Director
Dato' Yusli Bin Mohamed Yusoff	Member	Independent Non-Executive Director
Jeyakumar a/l T Palakrishnar	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(cont'd)*

COMPANY SECRETARIES	:	Tai Yit Chan (MAICSA 7009143) Tan Ai Ning (MAICSA 7015852) Lot 6.05, Level 6, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone no.: +603 7720 1188 Fax. no.: +603 7720 1111
REGISTERED OFFICE	:	Lot 6.05, Level 6, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone no.: +603 7720 1188 Fax. no.: +603 7720 1111
HEAD/MANAGEMENT OFFICE	:	P.O. Box 266 Pulau Indah 42009 Port Klang Selangor Darul Ehsan Malaysia Telephone no.: +603 3169 4000 Fax. no.: +603 3169 4119 Website address: www.westportsmalaysia.com E-mail address: enquiries@westports.com.my
SELLING SHAREHOLDERS	:	Pembinaan Redzai Sdn Bhd 62C, Jalan SS21/62 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Malaysia Dinamik Imbangan Sdn Bhd 62C, Jalan SS21/62 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Malaysia Semakin Ajaib Sdn Bhd 62C, Jalan SS21/62 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Malaysia

1. CORPORATE DIRECTORY *(cont'd)*

SELLING SHAREHOLDERS *(Cont'd)*	:	South Port Investment Holdings Limited 10th Floor, Ebene Heights Building 34 Ebene Cybercity Ebene Mauritius
		Lankayan Ventures Sdn Bhd Level 33, Tower 2, Petronas Twin Towers Kuala Lumpur City Centre 50088 Kuala Lumpur Malaysia
PRINCIPAL BANKERS	:	AmInvestment Bank Berhad 22nd Floor, Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone no.: +603 2036 2633
		Malayan Banking Berhad Lot C1-1-0 & C1-1-1, Phase 1F1 Lebuh Batu Nilam Bandar Bukit Tinggi 1 41400 Klang Selangor Darul Ehsan Malaysia Telephone no.: +603 3325 1004
		Standard Chartered Bank Malaysia Berhad Level 13, Menara Standard Chartered P.O. Box 13570 50814 Kuala Lumpur Malaysia Telephone no.: +603 2117 7777
AUDITORS AND REPORTING ACCOUNTANTS	:	KPMG Level 10, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone no.: +603 7721 3388

1. CORPORATE DIRECTORY *(cont'd)*

LEGAL ADVISERS	:	*To our Company as to Malaysian law* Kadir Andri & Partners 8th floor, Menara Safuan 80 Jalan Ampang 50450 Kuala Lumpur Malaysia Telephone no.: +603 2078 2888 *To our Company as to United States and English law* Clifford Chance 28th Floor Jardine House One Connaught Place Hong Kong Telephone no.: +852 2825 8888 *To the Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters as to Malaysian law* Albar & Partners 6th Floor, Faber Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Telephone no.: +603 2078 5588 *To the Joint Global Coordinators and Joint Bookrunners as to United States federal securities law* Baker & McKenzie.Wong & Leow 8 Marina Boulevard #05-01 Marina Bay Financial Center Tower 1 Singapore 018981 Telephone no.: +65 6338 1888
PRINCIPAL ADVISER/ MANAGING UNDERWRITER	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888
JOINT GLOBAL COORDINATORS	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888

1. CORPORATE DIRECTORY *(cont'd)*

JOINT GLOBAL COORDINATORS *(Cont'd)*	:	Credit Suisse (Singapore) Limited 1 Raffles Link #03/#04-01 South Lobby Singapore 039393 Telephone no.: +65 6212 2000 Goldman Sachs (Singapore) Pte. 1 Raffles Link #07-01 Singapore 039393 Telephone no.: +65 6889 1000
JOINT BOOKRUNNERS	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888 Credit Suisse (Singapore) Limited 1 Raffles Link #03/#04-01 South Lobby Singapore 039393 Telephone no.: +65 6212 2000 Goldman Sachs (Singapore) Pte. 1 Raffles Link #07-01 Singapore 039393 Telephone no.: +65 6889 1000 The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch 21 Collyer Quay #09-02 HSBC Building Singapore 049320 Telephone no.: +65 6216 9008 Merrill Lynch (Singapore) Pte. Ltd. 50 Collyer Quay #14-01, OUE Bayfront Singapore 049321 Telephone no.: +65 6678 0000

1. CORPORATE DIRECTORY *(cont'd)*

JOINT BOOKRUNNERS *(Cont'd)*	:	RHB Investment Bank Berhad Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone no.: +603 9287 3888
JOINT UNDERWRITERS	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2059 1888 AmInvestment Bank Berhad 22nd Floor, Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone no.: +603 2036 2633 RHB Investment Bank Berhad Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone no.: +603 9287 3888 Hong Leong Investment Bank Berhad *(formerly known as MIMB Investment Bank Berhad)* Level 23, Menara HLA, No. 3 Jalan Kia Peng, 50450 Kuala Lumpur Malaysia Telephone no.: +603 2168 1168
SHARE REGISTRAR	:	Boardroom Corporate Services (KL) Sdn Bhd Lot 6.05, Level 6, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone no.: +603 7720 1188

1. CORPORATE DIRECTORY *(cont'd)*

INDEPENDENT MARKET RESEARCHER	:	Drewry Maritime Services (Asia) Pte Ltd 15 Hoe Chiang Road #13-02 Tower Fifteen Singapore 089316 Telephone no.: +65 6220 9890
TRUSTEE	:	*For the IPO Trust Scheme* Maybank Trustees Berhad 8th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Malaysia Telephone no.: +603 2070 8833
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone no.: +603 7841 8000
LISTING SOUGHT	:	Main Market of Bursa Securities
SHARIAH STATUS	:	Approved by the SAC of the SC

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2. INTRODUCTION

This Prospectus is dated 19 September 2013.

Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 12 months after the date of this Prospectus.

We have registered this Prospectus with the SC. We have also lodged a copy of this Prospectus, together with the Application Form, with the Registrar of Companies Malaysia who takes no responsibility for their contents.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as a "prescribed security". Consequently, our Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealing in our Shares will be carried out in accordance with the SICDA and the rules of Bursa Depository. We will not issue any share certificates to successful applicants.

On 20 August 2013, approval was obtained from the SC in respect of our IPO and the Listing. The approval of the SC shall not be taken to indicate that the SC recommends our IPO or assumes responsibility for the correctness of any statement made or opinion expressed or report contained in this Prospectus. The SC has not, in any way, considered the merits of our Shares being offered for investment. The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. On 26 July 2013, the SAC of the SC classified our Shares as Shariah compliant based on our latest audited consolidated financial information for the financial year ended 31 December 2012. This classification will remain valid from the date of this Prospectus until the next Shariah compliance review is undertaken by the SAC of the SC. Updates on the classification will be released in the updated list of Shariah-compliant securities on the last Friday of the month of May and November of each year.

You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of our IPO and an investment in our Company.

We have obtained the approval of Bursa Securities on 2 September 2013 for the admission of our Shares to the Official List of the Main Market of Bursa Securities and the listing of and quotation for our Shares, including the Offer Shares which are the subject of this Prospectus, on the Main Market of Bursa Securities. Our Shares will be admitted to the Official List of the Main Market of Bursa Securities and official quotation will commence upon receipt of confirmation from Bursa Depository that all the Offer Shares have been credited into the respective CDS accounts of the successful applicants and the notices of allotment have been despatched to all successful applicants. Admission to the Official List of the Main Market of Bursa Securities shall not be taken as an indication of the merits of our Company, our Shares or our IPO.

Pursuant to the Listing Requirements, at least 25% of the total number of Shares for which listing is sought must be held by at least 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing. We expect to achieve this at the time of our Listing. If this requirement is not met, we may not be allowed to proceed with our Listing. In such event, monies paid in respect of all applications will be returned in full without interest and if such monies are not returned in full within 14 days after the Selling Shareholders becomes liable to do so, the provisions of sub-sections 243(2) and 243(6) of the CMSA shall apply accordingly.

2. INTRODUCTION *(cont'd)*

In the case of an application by way of Application Form, you should state your CDS account number in the space provided in the Application Form. If you do not presently have a CDS account, you must open a CDS account with an ADA before making an application for our Shares. For an application by way of Electronic Share Application, only an applicant who has a CDS account number can make an Electronic Share Application and you should furnish your CDS account number to a Participating Financial Institution by way of keying in your CDS account number if the instructions on the ATM screen at which you submit your Electronic Share Application requires you to do so. In the case of an application by way of Internet Share Application, only an applicant who has a CDS account opened with an Internet Participating Financial Institution can make an Internet Share Application. Your CDS account number will automatically appear in the electronic IPO online Application Forms. A corporation or institution cannot apply for our IPO Shares by way of Electronic Share Application or Internet Share Application.

IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS BEFORE APPLYING FOR OUR SHARES.

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3. SUMMARY

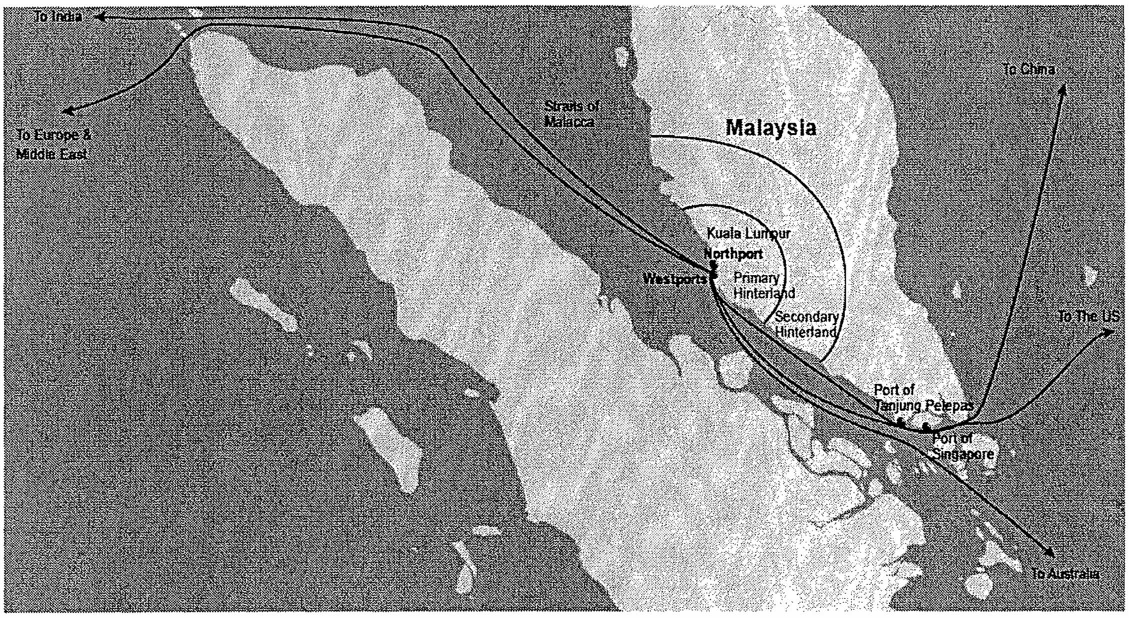
This summary highlights selected information from this Prospectus and may not contain all of the information about our Company and our IPO which may be important to you. You should read and understand the whole Prospectus before deciding whether to invest in our Shares. You are advised to read the risk factors described in Section 5 of this Prospectus for an understanding of the risks associated with the investment in our Company.

3.1 Overview

We are the operator of Westports. We handle container and conventional cargo, and also provide a wide range of port services, including marine services, rental services and other ancillary services.

In the Straits of Malacca, the main ports that handle Import/Export and/or transhipment container cargo and compete with Westports are namely Northport, Port of Tanjung Pelepas and Port of Singapore. All these ports are located in close proximity to the main shipping route along the Straits of Malacca. Other than Northport, these ports have natural deep water berths which allow them to accommodate large vessels. The southern approach into Port Klang where Westports is located, has a channel of at least 17 metres, which is deeper than the northern approach where Northport is located, which is only 12 metres deep. According to Drewry Maritime Advisors, the deviation of Port Klang, Port of Tanjung Pelepas and Port of Singapore from the main shipping route along the Straits of Malacca is approximately 12, 15 and nine (9) nautical miles, respectively. The lower the deviation, the more suitable a port's location is to operate as a transhipment hub.

The location of Westports and its competitors along the Straits of Malacca can be seen below:



As shown above, there are two (2) port operators in Port Klang, namely WMSB and the operator for Northport and by virtue of their location, WMSB and the operator for Northport also provide container services for Import/Export and conventional cargo from the central Peninsular Malaysia hinterland.

Our container business has grown rapidly in the last decade, from handling approximately 2.0 million TEUs in 2002 to approximately 6.9 million TEUs in 2012, representing a CAGR of 13.2%, compared with a CAGR of 8.3% in global gross container throughput over the same period, according to Drewry Maritime Advisors. For the six (6) months ended 30 June 2013, we handled 3.6 million TEUs of container cargo.

Since we began operations in 1996, we have grown our market share to 69% of container traffic and 79% of the transhipment traffic in Port Klang in 2012 and 33% of container traffic in Malaysia in 2012, according to Drewry Maritime Advisors, with transhipment of containers comprising a majority of our traffic. Apart from our strategic position at the south of Port Klang and the natural deep water channel that we benefit from which makes us attractive to MLOs sailing large container ships, with our deep natural harbour and container berths in a contiguous straight line, we can flexibly berth and handle containers for the largest vessels in the world with capacities of up to 18,000 TEUs. The growth in our market share is also enabled by our relative operating efficiency and reliability as our container terminals routinely exceed 35 Moves Per Hour per crane for large vessels (vessels over 300 metres in length). Further, we offer established global and regional connectivity to more than 350 ports around the world with approximately 75 main line services calling at our port, complemented by approximately 65 feeder services, all of which are independently operated by 48 lines.

Our port facilities include a total of 25 berths with an aggregate length of approximately 6,642 metres, of which 18 berths are contiguously connected in a straight line extending to approximately 4,800 metres. The straight line arrangement of the berths allows for greater flexibility in berthing vessels, thus resulting in higher berth utilisation. It also allows for the ability to handle large vessels (vessels over 300 metres in length). We are expanding our facilities further with an additional container terminal, CT7. We have also commenced land reclamation and development work for two (2) additional container terminals, CT8 and CT9, respectively.

With the completion of construction and commencement of operations in all areas of CT6 in March 2013, we currently have a handling capacity of approximately 9.5 million TEUs per annum, which is expected to increase to approximately 11.0 million TEUs per annum in 2015 once CT7 is fully operational. We also have the potential to increase our handling capacity to approximately 16.0 million TEUs per annum upon the completion of CT8 and CT9. Our conventional terminals handled approximately 10.2 million tonnes and 5.3 million tonnes of bulk cargo in 2012 and the six (6) months ended 30 June 2013, respectively (excluding RORO cargo).

For the years ended 31 December 2010, 2011 and 2012, we generated total operational revenue (total revenue excluding Construction revenue) of RM975.0 million, RM1,115.3 million and RM1,226.2 million, respectively, and PAT of RM284.9 million, RM316.5 million and RM361.0 million, respectively. For the six (6) months ended 30 June 2012 and 2013, we generated total operational revenue of RM600.5 million and RM642.8 million, respectively, and PAT of RM161.9 million and RM198.4 million, respectively.

Refer to Sections 6 and 7 of this Prospectus for further information on our Group.

3.2 Competitive strengths

3.2.1 Strategically located to handle both transhipment traffic in the Straits of Malacca serving Asia-Europe and intra-Asia shipping lanes, as well as Import/Export traffic for Peninsular Malaysia.

3.2.2 Advantageous geographic attributes.

3.2.3 Leading market position in Port Klang, with secured long-term concession and strong expansion potential.

3.2.4 Established global and regional connectivity.

3.2.5 Strong track record of operational excellence and financial profitability.

3.2.6 Long-term relationships with customers and other stakeholders, and differentiated quality service ensuring customer satisfaction and loyalty.

3.2.7 Experienced management team with proven track record, backed by reputable shareholders.

Refer to Section 7.2 of this Prospectus for further information on our competitive strengths.

3.3 Strategies and future plans

3.3.1 Increase throughput to our port by:

(i) capitalising on continued growth in container traffic through the Straits of Malacca;

(ii) attracting transhipment activities of key shipping line customers and growing the regional feeder network to further improve connectivity and drive growth in transhipment volumes;

(iii) strengthening our position as the preferred gateway of Malaysia;

(iv) enhancing overall customer value proposition and customer satisfaction to promote customer loyalty; and

(v) anchoring the distribution hub activities of shippers globally within or near Westports to increase cargo flow.

3.3.2 Increase capacity and improve operational efficiency, financial profitability and long-term sustainability of business by:

(i) making timely investments in new infrastructure, equipment and technologies to increase throughput capacity, improve productivity and cost efficiencies, and enhance our capability to handle increasing vessel sizes;

(ii) focusing on optimising operating efficiency and employee productivity to ensure sustainable and profitable growth;

(iii) achieving a more flexible cost structure through selective outsourcing; and

(iv) continuing to invest in training and succession planning, and offer excellent career development opportunities to our staff to be the employer of choice in the port industry.

Refer to Section 7.3 of this Prospectus for further information on our strategies and future plans.

3.4 Risk factors

Before investing in our Shares, you should pay particular attention to the fact that, to a large extent, our Group and our operations are governed by the legal, regulatory and business environment in Malaysia, which may in some aspects differ from those which prevail in other countries. Our business is subject to a number of factors, many of which are beyond our control. Prior to making an investment decision, you should carefully consider, along with the other matters set out in this Prospectus, the risks and investment considerations set out below. The risks and investment considerations set out below are not an exhaustive list of all the risks and challenges that we are currently facing or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

3.4.1 Risks relating to our business

(i) Our business is highly dependent on global trading volumes, regional and global economic, financial and political conditions.

(ii) We are dependent on a small number of customers for a significant portion of our business.

(iii) We may face risks associated with debt financing and the debt covenants which could limit or affect our operations.

(iv) We are exposed to credit risk with respect to our customers and our business could be adversely affected if our customers default on their obligations.

(v) Our business requires significant periodic capital expenditure and we may not be able to secure funding as necessary or on desirable terms.

(vi) We are exposed to certain risks in respect of the expansion of our existing terminals and port facilities and the development and construction of new terminals and port facilities.

(vii) We face significant competition in the container terminal industry which could adversely affect our ability to maintain or increase our market share and profitability.

(viii) Our results of operations may fluctuate significantly as a result of the seasonality of the shipping industry.

(ix) Our inability to successfully implement our expansion plans and effectively manage our growth strategy could have an adverse effect on our business, results of operations and financial condition.

(x) Rising costs of fuel and electricity may affect us.

(xi) Increases in our costs may materially and adversely affect our operating results if we are unable to pass on such increases to our customers through an increase in tariffs in a timely manner.

(xii) Our operations are dependent on the availability of good road and rail connectivity and any disruption in the operation of or delays in the improvements to the road and rail network may have an adverse effect on our business and results of operations.

(xiii) Changes in technology or improper maintenance may render our current equipment obsolete or require us to make substantial capital investments.

(xiv) Our IT systems which operate the terminal facilities may be subject to failure, which could result in delays to our operations.

(xv) We rely on third party vendors for certain port operations which may be subject to interruption.

(xvi) We may not maintain sufficient insurance coverage for the risks associated with the operation of our business.

(xvii) Upgrading or repairs to the container terminals may disrupt our operations.

(xviii) We are required to have a number of approvals, licences, registrations, permits and property rights for our business from various regulatory authorities as well as under the Privatisation Agreement, and the failure to obtain or renew them in a timely manner may adversely affect our operations.

(xix) Our inability to maintain the Privatisation Agreement may adversely affect our financial condition and results of operations.

(xx) Our operations are subject to extensive environmental, health, safety and other related regulations.

(xxi) We may handle goods that are hazardous, which could result in spills and/or environmental damage.

(xxii) Our business and facilities may be adversely affected by severe weather conditions or natural disasters in Malaysia or elsewhere.

(xxiii) Our operations depend on the adequate and timely supply of spare parts and equipment at acceptable prices and quality.

(xxiv) We are exposed to certain operational risks relating to work stoppages.

(xxv) Certain tax incentives or exemptions from the GOM may no longer be available to us in the future.

(xxvi) Fluctuations in currency exchange rates may have an adverse effect on our results of operations.

(xxvii) Our key management team and other key personnel in our business units are critical to our continued success and the loss of, or the inability to attract and retain, such personnel in the future could harm our business.

(xxviii) The GOM (through MOF Inc.) by virtue of the Special Share may have interests which conflict with those of our shareholders.

(xxix) Any change in government control or regulations may have an adverse effect on our financial condition.

(xxx) The pro forma financial information contained in this Prospectus may not accurately reflect our historical financial position, results of operations and cash flows.

(xxxi) Forward-looking statements in this Prospectus may not be accurate and are subject to uncertainties and contingencies.

(xxxii) Terrorist acts and other catastrophic events may affect our operations.

(xxxiii) Certain of our structures that we currently use do not have the requisite CFOs, which may adversely affect our operations.

Refer to Section 5.1 of this Prospectus for further information on risks relating to our business.

3.4.2 Risks relating to the port industry

(i) We rely on security procedures carried out at other port facilities and by our shipping line customers, which are outside our control.

(ii) Additional security requirements may increase our operating costs and restrict our ability to conduct our business.

Refer to Section 5.2 of this Prospectus for further information on risks relating to the port industry.

3.4.3 Risks relating to our Shares

(i) Future issuance or sales, or market perception of sales, of substantial amounts of our Shares or other securities relating to our Shares in the public market could materially and adversely affect the prevailing market price of our Shares following our IPO.

(ii) Ownership and control by our existing shareholders.

(iii) There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained.

(iv) Our Share price and trading volume may be volatile.

(v) We cannot assure you that we will declare and distribute any dividends in the future.

(vi) There may be a delay in our Listing or failure to list our Shares.

(vii) Because the Retail Price and the Institutional Price are higher than our NA value per Share, purchasers of our Shares will experience immediate and substantial dilution and purchasers of our Shares may experience further dilution if we issue additional Shares in the future.

(viii) Future fundraising may dilute shareholders' equity or restrict our operations.

Refer to Section 5.3 of this Prospectus for further information on risks relating to our Shares.

3.5 Summary historical consolidated financial data

The following summary historical audited consolidated financial data for the three (3) years ended 31 December 2010, 2011 and 2012 and for the six (6) months ended 30 June 2013 and our unaudited consolidated financial data for the six (6) months ended 30 June 2012 have been extracted from our consolidated financial statements. Our consolidated financial statements are prepared in accordance with MFRS and IFRS.

The following summary historical consolidated financial data should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects" in Section 12.2 of this Prospectus and the Accountants' Report in Section 13 of this Prospectus.

The summary historical consolidated financial data included in this Prospectus does not reflect our Group's results of operations, financial position and cash flows in the future, and our Group's past operating results are not indicative of our Group's future operating performance.

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	**2011**	**2012**	**2012**	**2013**
	(RM '000)	**(RM '000)**	**(RM '000)**	**(RM '000)**	**(RM '000)**
Profit or loss and other comprehensive income data:					
Revenue[(1)]	998,548	1,387,374	1,492,262	629,775	750,084
Cost of sales[(1)]	(434,756)	(782,757)	(823,489)	(301,181)	(402,182)
Gross profit	563,792	604,617	668,773	328,594	347,902
Other income	39,944	14,591	13,734	7,763	35,982
Administrative expenses	(68,074)	(81,504)	(72,585)	(35,920)	(41,206)
Other expenses	(107,420)	(124,754)	(125,509)	(62,221)	(67,267)
Results from operating activities	428,242	412,950	484,413	238,216	275,411
Finance income	7,196	6,977	7,119	3,697	4,789
Finance costs	(49,845)	(54,873)	(56,859)	(28,612)	(28,256)
Profit before tax	385,593	365,054	434,673	213,301	251,944
Tax expense	(100,737)	(48,581)	(73,713)	(51,388)	(53,548)
Profit for the year/period	284,856	316,473	360,960	161,913	198,396
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Fair value of available-for-sale financial assets	-	1,643	(1,643)	(1,643)	-
Total comprehensive income attributable to owners of the Company	**284,856**	**318,116**	**359,317**	**160,270**	**198,396**
Other summary financial data:					
EBITDA[(2)]	545,801	527,968	597,646	293,169	336,258
Gross profit margin (including Construction revenue) (%)	56.5	43.6	44.8	52.2	46.4
Gross profit margin (excluding Construction revenue) (%)	57.8	54.2	54.5	54.7	54.1
PBT margin (%)	38.6	26.3	29.1	33.9	33.6
PAT margin (%)	28.5	22.8	24.2	25.7	26.4
EBITDA margin (including Construction revenue) (%)	54.7	38.1	40.0	46.6	44.8
EBITDA margin (excluding Construction revenue) (%)	56.0	47.3	48.7	48.8	52.3

3. **SUMMARY** *(cont'd)*

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
No. of ordinary shares of RM1.00 each in issue ('000)	117,000	117,000	117,000	117,000	117,000
NA	1,311,837	1,328,314	1,488,029	1,387,257	1,515,623
NA per share (RM)	11.21	11.35	12.72	11.86	12.95
Gross EPS[(3)] (sen)	329.57	312.01	371.52	182.31	215.34
Net EPS[(4)] (sen)	243.47	270.49	308.51	138.39	169.57
Net dividends per share (RM)	1.1	2.6	1.7	0.9	1.5

Notes:

(1) *The following table sets forth the breakdown of revenue and cost of sales after taking into account the revenue and cost attributable to Construction:*

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Revenue (including Construction revenue)	998,548	1,387,374	1,492,262	629,775	750,084
Cost of sales (including Construction cost)	(434,756)	(782,757)	(823,489)	(301,181)	(402,182)
Revenue (excluding Construction revenue)	974,954	1,115,330	1,226,165	600,545	642,758
Cost of sales (excluding Construction cost)	(411,162)	(510,713)	(557,392)	(271,951)	(294,856)

(2) *EBITDA represents earnings before finance income and finance costs, taxation, depreciation and amortisation. The table below sets forth a reconciliation of our profit for the year to EBITDA.*

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
PAT	284,856	316,473	360,960	161,913	198,396
Tax expense	100,737	48,581	73,713	51,388	53,548
PBT	385,593	365,054	434,673	213,301	251,944
Finance income	(7,196)	(6,977)	(7,119)	(3,697)	(4,789)
Finance costs	49,845	54,873	56,859	28,612	28,256
Depreciation and amortisation	117,559	115,018	113,233	54,953	60,847
EBITDA	**545,801**	**527,968**	**597,646**	**293,169**	**336,258**

EBITDA, as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with MFRS and IFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under MFRS and IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with MFRS and IFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

(3) Computed based on the PBT of our Group divided by 117,000,000 ordinary shares of RM1.00 each in WHB.

(4) Computed based on the PAT of our Group divided by 117,000,000 ordinary shares of RM1.00 each in WHB.

3.6 Summary pro forma consolidated statement of financial position data

The summary pro forma consolidated statement of financial position data has been derived from the pro forma consolidated financial information set out in Section 12.5 of this Prospectus, using historical financial statements that were prepared in accordance with MFRS and IFRS and in a manner consistent with both the format of the financial statements and the accounting policies of our Company and, where appropriate, of our subsidiaries, except as disclosed in Section 12.5 of this Prospectus.

The summary pro forma consolidated statement of financial position data as at 30 June 2013 has been prepared for illustrative purposes only to show the effects on our historical consolidated statement of financial position as at 30 June 2013 based on the assumption that the MSA Termination (the effects of which have been recognised on 1 January 2013), the recognition of the interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 and the following transactions have been effected as at 30 June 2013:

(i) the Pre-Listing Exercise;

(ii) the IPO; and

(iii) the Listing.

The summary pro forma consolidated statement of financial position data should be read in conjunction with the Reporting Accountants' Letter on the Pro Forma Consolidated Financial Information as at 30 June 2013 and the notes thereto as set out in Section 12.5 of this Prospectus.

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3. SUMMARY *(cont'd)*

	Historical (Audited)	Pro Forma I	Pro Forma II	Pro Forma III
	As at 30 June 2013	After MSA Termination	After Pro Forma I, interim dividend[(2)] and Pre-Listing Exercise	After Pro Forma II and our IPO
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
NON-CURRENT ASSETS				
Property, plant and equipment	1,051,105	1,051,105	1,051,105	1,051,105
Concession assets	1,698,498	1,698,498	1,698,498	1,698,498
TOTAL NON-CURRENT ASSETS	2,749,603	2,749,603	2,749,603	2,749,603
CURRENT ASSETS				
Trade and other receivables	224,084	224,084	224,084	224,084
Cash and cash equivalents	212,328	226,596	78,006	66,002
TOTAL CURRENT ASSETS	436,412	450,680	302,090	290,086
TOTAL ASSETS	3,186,015	3,200,283	3,051,693	3,039,689
EQUITY				
Share capital	117,000	117,000	341,000	341,000
Share premium	34,000	34,000	697,000	697,000
Reserves	1,364,623	1,386,766	351,176	339,172
TOTAL EQUITY	1,515,623	1,537,766	1,389,176	1,377,172
NON-CURRENT LIABILITIES				
Borrowings	700,000	700,000	700,000	700,000
Employee benefits	9,589	9,589	9,589	9,589
Deferred tax liabilities	230,292	230,292	230,292	230,292
Provision for concession liability	413,950	413,950	413,950	413,950
TOTAL NON-CURRENT LIABILITIES	1,353,831	1,353,831	1,353,831	1,353,831
CURRENT LIABILITIES				
Trade and other payables	244,172	228,916	228,916	228,916
Tax payable	23,323	30,704	30,704	30,704
Provision for concession liability	49,066	49,066	49,066	49,066
TOTAL CURRENT LIABILITIES	316,561	308,686	308,686	308,686
TOTAL LIABILITIES	1,670,392	1,662,517	1,662,517	1,662,517
TOTAL EQUITY AND LIABILITIES	3,186,015	3,200,283	3,051,693	3,039,689
NA attributable to equity holders of our Company per ordinary share (RM)[(1)]	12.95	13.14	0.41	0.40

Notes:

(1) Computed based on the NA attributable to equity holders of our Company over number of shares.

(2) The interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 paid from the cash and bank balances of our Company.

3.7 Capitalisation and indebtedness

The following information should be read in conjunction with the Reporting Accountants' Letter on the Pro Forma Consolidated Financial Information as at 30 June 2013 and the notes thereto and the Accountants' Report set out in Sections 12.5 and 13 of this Prospectus, respectively.

The following table sets out our historical consolidated and pro forma capitalisation and indebtedness information as at 30 June 2013 based on our historical consolidated statement of financial position and our pro forma consolidated financial information as at 30 June 2013 as set out in Sections 13 and 12.5 of this Prospectus, respectively. The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 30 June 2013 and is provided for illustrative purposes only.

	Historical (Audited)	Pro Forma I	Pro Forma II	Pro Forma III
	As at 30 June 2013	After MSA Termination	After Pro Forma I, interim dividend[2] and Pre-Listing Exercise	After Pro Forma II and our IPO
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Indebtedness				
Long-term debt				
Secured				
SMTN II	700,000	700,000	700,000	700,000
Total indebtedness	**700,000**	**700,000**	**700,000**	**700,000**
Total shareholders' equity	**1,515,623**	**1,537,766**	**1,389,176**	**1,377,172**
Total capitalisation and indebtedness	**2,215,623**	**2,237,766**	**2,089,176**	**2,077,172**
Gearing ratio (times)[1]	**0.46**	**0.46**	**0.50**	**0.51**

Notes:

(1) Computed based on total indebtedness over total shareholders' equity.

(2) The interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 paid from the cash and bank balances of our Company.

3.8 Particulars of our IPO

IPO	:	Comprising the Institutional Offering and the Retail Offering.
Institutional Offering	:	Offering of up to 710,890,000 Offer Shares at the Institutional Price, to the following: (i) Malaysian institutional and selected investors (including Bumiputera investors approved by the MITI); (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and (iii) QIBs in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the US Securities Act.
Retail Offering	:	Offering of 102,300,000 Offer Shares at the Retail Price to the Eligible Employees, Directors and persons who have contributed to the success of our Group and the Malaysian Public.

Refer to Section 4.3 of this Prospectus for further information on our IPO.

3.9 Utilisation of proceeds

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional equity funding for our business. Refer to Sections 12.2.6(i) and 12.2.9 of this Prospectus for details on our Group's sources and availability of funds for our business operations and expansion plan.

The gross proceeds from our IPO of up to RM2.03 billion (on the assumption that the Institutional Price is equivalent to the Retail Price) will accrue entirely to the Selling Shareholders and will be utilised by the Selling Shareholders.

3.10 Dividend policy

It is the policy of our Board in recommending dividends to allow shareholders to participate in our profits, as well as to retain adequate reserves for our future growth.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to our shareholders' approval. However, our ability to pay dividends or make other distributions to our shareholders will depend upon a number of factors, including:

(i) the level of our cash, gearing, return on equity and retained earnings;

(ii) our expected financial performance;

(iii) our projected levels of capital expenditure and other investment plans;

(iv) our working capital requirements; and

(v) our existing and future debt obligations.

We propose to pay dividends out of cash generated from our operations after setting aside necessary funding for capital expenditure and working capital requirements. As part of this policy, our Company targets a dividend payout ratio of not less than 75% of our consolidated profit attributable to our equity holders under MFRS and IFRS, beginning 1 January 2013.

You should note that this dividend policy merely describes our Company's present intention and shall not constitute legally binding statements in respect of our Company's future dividends that are subject to modification at our Board's discretion.

As we are a holding company and we conduct substantially all of our operations through WMSB, our Company's income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from WMSB. The ability of WMSB to pay dividends or make other distributions to us in the future will depend upon its distributable profits, operating results, earnings, capital expenditure plans, general financial condition, compliance with certain financial covenants under certain debt facilities entered into by WMSB and other factors that the board of directors of WMSB deem relevant. Dividends may only be paid out of distributable reserves and under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from WMSB.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future. Refer to Section 5.3.5 of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

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4. DETAILS OF OUR IPO

4.1 Opening and closing of applications

Application for the Offer Shares under the Retail Offering will open at 10.00 a.m. on 19 September 2013 and will remain open until 5.00 p.m. on 27 September 2013 or such other date or dates as our Directors, the Selling Shareholders and the Managing Underwriter may decide in their absolute discretion.

4.2 Indicative timetable

An indicative timetable for our IPO is set out below:

Event	Date
Opening of the Institutional Offering[(1)]	19 September 2013
Issuance of Prospectus/Opening of the Retail Offering	10.00 a.m., 19 September 2013
Closing of the Retail Offering	5.00 p.m., 27 September 2013
Closing of the Institutional Offering	1 October 2013
Price Determination Date	1 October 2013
Balloting of applications for the Offer Shares offered under the Retail Offering	2 October 2013
Transfer of the Offer Shares to successful applicants	16 October 2013
Listing	18 October 2013

Note:

(1) Other than the Institutional Offering to the Cornerstone Investors. The master cornerstone placing agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on 6 September 2013.

Applications for the Offer Shares under the Retail Offering will close at the time and on the date as stated above or such other date or dates as our Directors, the Selling Shareholders and the Managing Underwriter may decide in their absolute discretion. The Institutional Offering will close on the date as stated above or such other date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion.

In the event that the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting, transfer of the Offer Shares and the Listing may be extended accordingly. Any extension will be announced in widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

4.3 Particulars of our IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, the Offer Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions and the Over-Allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus respectively.

Our IPO consists of the Institutional Offering and the Retail Offering, totalling up to 813,190,000 Offer Shares. For the avoidance of doubt, the Offer Shares offered under the Institutional Offering and the Retail Offering do not include the Shares to be offered under the Over-Allotment Option.

4.3.1 Institutional Offering

The Selling Shareholders are offering up to 710,890,000 Offer Shares, representing up to 20.8% of the issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) 392,150,000 Offer Shares, representing 11.5% of the issued and paid-up share capital of our Company to Bumiputera investors approved by the MITI;

(ii) 318,740,000 Offer Shares, representing 9.3% of the issued and paid-up share capital of our Company to the following persons:

   (a) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI);

   (b) foreign institutional and selected investors outside the United States in reliance on Regulation S; and

   (c) QIBs in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the US Securities Act.

As part of the Institutional Offering, the Company and the Selling Shareholders had on 6 September 2013 entered into a master cornerstone placing agreement with the Cornerstone Investors whereby the Cornerstone Investors have agreed to acquire from the Selling Shareholders, subject to the terms of the individual cornerstone placing agreements, an aggregate of 340,000,000 Shares, representing approximately 10% of the issued and paid-up share capital of our Company at the price as stipulated under the individual cornerstone placing agreements.

The cornerstone placing agreements are conditional upon, *inter alia*, the Retail Underwriting Agreement and the Placement Agreements being entered into and not having been terminated pursuant to the respective terms.

4.3.2 Retail Offering

The Selling Shareholders are offering 102,300,000 Offer Shares, representing 3.0% of the issued and paid-up share capital of our Company, to be allocated in the following manner:

(i) 34,100,000 Offer Shares, representing 1.0% of the issued and paid-up share capital of our Company have been reserved for application by the Eligible Employees, Directors and persons who have contributed to the success of our Group. Details of the allocation to Eligible Employees, Directors and persons who have contributed to the success of our Group are set out in Section 4.3.5 of this Prospectus; and

(ii) 68,200,000 Offer Shares, representing 2.0% of the issued and paid-up share capital of our Company will be made available for application by the Malaysian Public.

In summary, the Offer Shares will be allocated subject to the clawback and reallocation provisions and the Over-Allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus respectively, in the following manner:

Categories	Offer for Sale: No. of Offer Shares	Offer for Sale: % of existing share capital
Retail Offering		
Malaysian Public (via balloting):		
- Bumiputera	34,100,000	1.0
- Non-Bumiputera	34,100,000	1.0
Eligible Employees, Directors and persons who have contributed to the success of our Group	34,100,000	1.0
Sub-total	**102,300,000**	**3.0**
Institutional Offering		
Bumiputera investors approved by the MITI	392,150,000	11.5
Other Malaysian and foreign institutional and selected investors	318,740,000	9.3
Sub-total	**710,890,000**	**20.8**
Total	**813,190,000**	**23.8**

The completion of the Retail Offering and the Institutional Offering are inter-conditional and is subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.5 of this Prospectus.

4.3.3 Clawback and reallocation

The Institutional Offering and the Retail Offering shall be subject to the following clawback and reallocation provisions:

(i) if the Offer Shares allocated to Bumiputera investors approved by the MITI are not fully taken up, the Offer Shares which are not taken up will be made available to other institutional and selected investors under the Institutional Offering;

(ii) subject to Section 4.3.3(i) above, if there is an over-subscription in the Retail Offering and an under-subscription in the Institutional Offering, the Offer Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and

(iii) if there is an under-subscription in the Retail Offering and an over-subscription in the Institutional Offering, the Offer Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription in both the Institutional Offering and the Retail Offering.

Any Offer Shares not taken up by the Eligible Employees, Directors and persons who have contributed to the success of the WHB Group ("**Excess Allocated Shares**") shall be made available for application by the Eligible Employees, Directors and persons who have contributed to the success of the WHB Group who have applied for Excess Allocated Shares on top of their pre-determined allocation ("**Eligible Individuals**") and shall be allocated on a fair and equitable basis and in the following manner:

(i) firstly, the allocation will be carried out on a pro-rata basis based on the number of pre-determined Offer Shares allocated to the Eligible Individuals who have applied for the Excess Allocated Shares; and

(ii) secondly, to minimise the odd lots.

Our Board reserves the right to allocate to the Eligible Individuals who have applied for Excess Allocated Shares on top of their pre-determined allocation in such manner as it deems fit and expedient in the best interest of our Company. Our Board also reserves the right to accept any Excess Allocated Shares application, in full or in part, without assigning any reason thereof.

Thereafter, any Excess Allocated Shares unallocated to the Eligible Individuals will be made available for application by the Malaysian Public under the Retail Offering, with any remaining Offer Shares thereafter underwritten by the underwriters, subject to the clawback and reallocation provisions.

4.3.4 Over-Allotment Option

The Over-Allotment Option Providers may grant an Over-Allotment Option to the Stabilising Manager (on behalf of the Placement Managers) and may appoint the Stabilising Manager to undertake any price stabilisation actions. The Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may at their absolute discretion, over-allot Shares (on behalf of the Placement Managers) and subsequent thereto, effect transactions which may stabilise or maintain the market price of our Shares at levels that might not otherwise prevail in the open market. Such transactions consist of bids or purchases to peg, fix or maintain the price of our Shares. If the Stabilising Manager creates a short position in our Shares in connection with the Institutional Offering, the Stabilising Manager may reduce that short position by purchasing our Shares in the open market. The Stabilising Manager may also elect to reduce any short positions by exercising all or part of the Over-Allotment Option.

If granted, the Over-Allotment Option will be exercisable in whole or in part by the Stabilising Manager, on one (1) or more occasions, by giving written notice to the Over-Allotment Option Providers at any time, within 30 days from the date of Listing to purchase from the Over-Allotment Option Providers up to an aggregate of 81,319,000 Shares at the Institutional Price for each Share, representing up to approximately 10% of the total number of Offer Shares offered, solely for purposes of covering over-allotments of our Shares (if any).

Subject to there being an over-allotment, the Stabilising Manager will (on behalf of the Placement Managers) enter into the Share Lending Agreement with the Over-Allotment Option Providers to borrow up to an aggregate of 81,319,000 Shares to cover over-allotments. Any Shares that may be borrowed by the Stabilising Manager under the Share Lending Agreement will be returned by the Stabilising Manager to the Over-Allotment Option Providers either through the purchase of our Shares in the open market by the Stabilising Manager in the conduct of stabilisation activities or through the exercise of the Over-Allotment Option by the Stabilising Manager, or a combination of both. The exercise of the Over-Allotment Option will not increase the total number of Shares issued.

Purchases of a security to stabilise the price or to cover the over-allotment may cause the price of the security to be higher than it might be in the absence of these purchases. Such transactions may be effected on the Main Market of Bursa Securities and in other jurisdictions where it is permissible to do so, in each case, in compliance with all applicable laws and regulations, including the CMSA and any regulations thereunder. The number of Shares that the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may buy to undertake stabilising action shall not exceed an aggregate of 81,319,000 Shares, representing up to approximately 10% of the total number of Offer Shares offered. There is no obligation for the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) to undertake any such stabilising action. Such stabilising actions may commence on or after the commencement of trading of our Shares on the Main Market of Bursa Securities and, if commenced may be discontinued at any time and cannot be effected after the earliest of (i) the date falling 30 days from the commencement of trading of our Shares on the Main Market of Bursa Securities; or (ii) the date when the Stabilising Manager has bought, on the Main Market of Bursa Securities, an aggregate of 81,319,000 Shares representing up to approximately 10% of the total number of Offer Shares offered, to undertake stabilising action.

Neither our Company, the Over-Allotment Option Providers nor the Stabilising Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Shares. In addition, neither our Company, the Over-Allotment Option Providers nor the Stabilising Manager makes any representation that the Stabilising Manager will engage in such transactions, or that such transactions once commenced, will not be discontinued without notice (unless such notice is required by law).

4.3.5 Details of allocation to Eligible Employees, Directors and persons who have contributed to the success of our Group

The Eligible Employees, Directors and persons who have contributed to the success of our Group are allocated 34,100,000 Offer Shares, representing 1.0% of the issued and paid-up share capital of our Company under the Retail Offering, which was approved by our Board.

The summary of allocation of 34,100,000 Offer Shares as described above is set out below:

Eligible person	No. of eligible persons	Aggregate number of Offer Shares allocated
Eligible Employees[1] and Directors	3,639	30,565,500[2]
Persons who have contributed to the success of our Group [3]	254	3,534,500
Total	**3,893**	**34,100,000**

Notes:

(1) The criteria for allocation are based on their length of service, job grade and their contribution to our Group.

(2) The allocation includes both the Scheme Shares (the details of which are set out in Section 15.4 of this Prospectus) and the Offer Shares to be subscribed for via the PINK Application Form.

(3) The criteria for allocation are based on, amongst others, their current and past contribution to our Group, nature, terms and duration of their relationship with our Group.

4.4 Classes of shares and ranking

As at the date of this Prospectus, we only have one (1) class of shares, being ordinary shares of RM0.10 each.

The Offer Shares rank equally in all respects with our existing issued and paid-up Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable rules of Bursa Depository.

Subject to any special rights attaching to any Shares we may issue in the future, upon allotment and issue, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Articles of Association after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy or by attorney or by other duly authorised representative. On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one (1) vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one (1) vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.5 Minimum subscription level

There is no minimum subscription level in terms of the proceeds to be raised by the Selling Shareholders from our IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements, the minimum subscription level in terms of the number of Offer Shares will be the number of Offer Shares required to be held by the public shareholders of our Company to comply with the public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities.

In the event that the public shareholding spread requirement is not met pursuant to our IPO and/or if we and the Selling Shareholders decide in our absolute discretion not to proceed with the Listing, monies paid in respect of any application for the Offer Shares will be returned in full without interest and if such monies are not returned in full within 14 days after the Selling Shareholders become liable to do so, then the Selling Shareholders and the officers of the Selling Shareholders shall be jointly and severally liable to return such monies with interest at the rate of 10% per annum or such other rate as may be prescribed by the SC from the expiration of that period until the full refund is made.

4.6 Selling Shareholders

Our Selling Shareholders who are offering the Offer Shares and their material relationship with our Group within the past three (3) years are as follows:

Selling Shareholders	Material relationship with our Group	Before our IPO		Shares offered pursuant to our IPO		After our IPO[1]	
		No. of Shares	%	No. of Shares	%	No. of Shares	%
PRSB	Substantial shareholder and Promoter of our IPO	1,533,070,000	44.96	56,420,000	1.65	1,476,650,000	43.30
DISB	Substantial shareholder and Promoter of our IPO	256,465,000	7.52	256,465,000	7.52	-	-
SASB	Substantial shareholder and Promoter of our IPO	256,465,000	7.52	137,115,000	4.02	119,350,000	3.50
SPIH	Substantial shareholder	1,107,535,000	32.48	276,884,000	8.12	830,651,000	24.36

Selling Shareholders	Material relationship with our Group	Before our IPO		Shares offered pursuant to our IPO		After our IPO[1]	
		No. of Shares	%	No. of Shares	%	No. of Shares	%
LVSB	Substantial shareholder	256,465,000	7.52	86,306,000	2.53	170,159,000	4.99

Note:

(1) Assuming the Over-Allotment Option is not exercised.

4.7 Basis of arriving at the price of the Offer Shares and refund mechanism

4.7.1 Retail Price

The Retail Price of RM2.50 per Offer Share was determined and agreed upon between our Directors, the Selling Shareholders, the Principal Adviser, the Joint Global Coordinators and the Managing Underwriter, after taking into consideration the following factors:

(i) our operating history and financial performance as described in Sections 7, 12 and 13 of this Prospectus, respectively;

(ii) our expected future dividend payouts. We have declared an interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 representing a dividend payout ratio of 75% for the six (6) months ended 30 June 2013 which is consistent with our dividend policy as disclosed in Sections 3.10 and 12.6 of this Prospectus;

(iii) our competitive strengths, strategies and future plans as outlined in Sections 7.2 and 7.3 of this Prospectus;

(iv) overview and future outlook of the port industry as described in Section 8 of this Prospectus; and

(v) prevailing market conditions which include, among others, market performance of key global indices and companies which are in businesses similar to ours listed on other exchanges, as well as investors' sentiments.

Based on our pro forma comprehensive income attributable to the owners of our Company of RM401.65 million for the financial year ended 31 December 2012 and a dividend payout ratio of 75% pursuant to our dividend policy as disclosed in Sections 3.10 and 12.6 of this Prospectus, the Retail Price of RM2.50 per Offer Share represents a dividend yield of 3.53%. Further, based on our EPS of 11.78 sen which was arrived at based on our pro forma comprehensive income attributable to the owners of our Company of RM401.65 million for the financial year ended 31 December 2012 and our issued and paid-up share capital of 3,410,000,000 Shares, the Retail Price of RM2.50 per Offer Share represents a price-earnings multiple of approximately 21.22 times. As at 31 December 2012 and 30 June 2013, our pro forma consolidated NA per Share is RM0.39 and RM0.40 respectively, based on our issued and paid-up share capital of 3,410,000,000 Shares.

The Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date and will be the lower of:

(i) the Retail Price of RM2.50 per Offer Share; and

(ii) the Institutional Price,

subject to rounding to the nearest sen.

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to successful applicants, without any interest thereon. Further details on the refund mechanism are set out in Section 4.7.3 of this Prospectus.

Prospective retail investors should be aware that the Final Retail Price will not, in any event, be higher than the Retail Price of RM2.50 per Offer Share.

The Final Retail Price and the Institutional Price are expected to be announced within two (2) Market Days from the Price Determination Date via the Bursa Listing Information Network (Bursa LINK). In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the Offer Shares.

Applicants should also note that the vagaries of market forces and other uncertainties may affect the market price of our Shares after Listing.

4.7.2 Institutional Price

The Institutional Price will be determined by way of a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of Offer Shares that they would be prepared to acquire and the price that they would be prepared to pay for such Offer Shares. This bookbuilding process commenced on 19 September 2013 and will end on 1 October 2013 or such other date or dates as our Directors, the Selling Shareholders and the Joint Global Coordinators may decide in their absolute discretion. Upon the completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholders in consultation with the Joint Global Coordinators on the Price Determination Date.

If the Institutional Price is not fixed or agreed upon by our Directors and all the Selling Shareholders on the Price Determination Date, in consultation with the Joint Global Coordinators, our IPO and Listing will not proceed.

4.7.3 Refund mechanism

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to successful applicants without any interest thereon. The refund in the form of cheques will be despatched by ordinary post to the address of the successful applicants maintained with Bursa Depository for applications made via Application Form or by crediting into the accounts of the successful applicants with the Participating Financial Institution for applications made via Electronic Share Application or Internet Share Application, within ten (10) Market Days from the date of the final ballot of applications, at the successful applicants' own risk.

Please refer to Sections 16.10 and 16.11 of this Prospectus for further details on the refund mechanism.

4.7.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon Listing would be approximately RM8.53 billion.

4.8 Objectives of our IPO

The objectives of our IPO are as follows:

(i) to enhance our profile to market our services;

(ii) to establish liquidity for our Shares; and

(iii) to provide an opportunity for the investing community including the Eligible Employees, Directors and persons who have contributed to the success of our Group to participate in the continuing growth of our Group by way of equity participation.

4.9 Dilution

Dilution is the amount by which our pro forma consolidated NA per Share after our IPO is less than the price paid by retail and institutional and selected investors for our Shares. Our pro forma consolidated NA per Share represents the equity attributable to the shareholders of our Company over the number of Shares outstanding immediately prior to our IPO. Our pro forma consolidated NA per Share as at 30 June 2013 before adjusting for our IPO was RM0.41, based on 3,410,000,000 Shares.

As illustrated in the selected pro forma consolidated statement of financial position data as set out in Section 12.4 of this Prospectus, our pro forma consolidated NA per Share would be RM0.40 pursuant to the implementation of our IPO. This represents an immediate decrease in NA per Share of RM0.01 to our existing shareholders and an immediate dilution in NA per Share of RM2.10, representing approximately 84.0% of the Retail Price and the Institutional Price (assuming the Institutional Price and the Final Retail Price will be the Retail Price), to the retail, institutional and selected investors.

The following table illustrates such dilution on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	(RM)
Retail Price / Institutional Price	2.50
Pro forma consolidated NA per Share as at 30 June 2013 after the MSA Termination, interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 and Pre-Listing Exercise but before adjusting for our IPO	0.41
Pro forma consolidated NA per Share as at 30 June 2013 after adjusting for our IPO	0.40
Decrease in NA per Share to our existing shareholders	(0.01)
Dilution in pro forma consolidated NA per Share to retail/institutional and selected investors	2.10
Dilution in pro forma consolidated NA per Share to retail/institutional and selected investors as a percentage of the Retail Price	84.0%

Save as disclosed below and in Section 9.4.1 of this Prospectus, and our Shares issued pursuant to the Pre-Listing Exercise, none of our substantial shareholders, our Directors, our key management or persons connected to them have acquired and/or subscribed for shares in our Company in the past three (3) years up to the date of this Prospectus:

	No. of Pre-subdivided WHB Share	Consideration (RM)	Average price per Pre-subdivided WHB Share (RM)
LVSB*	10,000,000	90,000,000	9.00

Note:

* *These shares were transferred to LVSB by KNB.*

4.10 Utilisation of proceeds

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional equity funding for our business. Refer to Sections 12.2.6(i) and 12.2.9 of this Prospectus for details on our Group's sources and availability of funds for our business operations and expansion plan.

The gross proceeds from our IPO of up to RM2.03 billion (on the assumption that the Institutional Price is equivalent to the Retail Price) will accrue entirely to the Selling Shareholders and will be utilised by the Selling Shareholders.

4.11 Estimated expenses of our IPO

The expenses of our IPO to be borne by our Company are estimated to be RM15.8 million comprising the following:

	(RM '000)
Estimated professional fees	8,906.5
Estimated fees to authorities	1,168.5
Other fees and expenses such as printing, advertising, travel and road show expenses incurred in connection with the Listing	3,143.0
Miscellaneous expenses and contingencies	2,582.0
Total estimated Listing expenses	**15,800.0**

The Selling Shareholders will bear their own professional fees, brokerage, underwriting fee and placement fee, as well as other miscellaneous expenses in respect of our IPO, which is estimated to be approximately RM39.0 million.

Further details of the brokerage, underwriting fee and placement fee are set out in Section 4.12 below.

4.12 Brokerage, underwriting fee and placement fee

4.12.1 Brokerage

The Selling Shareholders will pay brokerage in respect of the sale of the Offer Shares under the Retail Offering at the rate of 1.0% of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Global Coordinators and the Joint Bookrunners are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us nor the Selling Shareholders.

4.12.2 Underwriting fee

As stipulated in the Retail Underwriting Agreement, the Selling Shareholders will pay the Managing Underwriter and the Joint Underwriters an underwriting fee of 1.6% of the Retail Price multiplied by the total number of Offer Shares underwritten pursuant to the Retail Offering (subject to the clawback and reallocation provisions between the Retail Offering and the Institutional Offering).

4.12.3 Placement fee

The Selling Shareholders will utilise the proceeds raised from the Offer For Sale to pay the Placement Managers the following fees in accordance with the terms of the Placement Agreements:

(a) a placement fee of 1.6% of the amount equal to the Institutional Price multiplied by the number of Offer Shares sold pursuant to the Institutional Offering to Malaysian and foreign institutional and selected investors; and

(b) a discretionary fee of up to 0.5% of the amount equal to the Institutional Price multiplied by the number of Offer Shares sold pursuant to the Institutional Offering to Malaysian and foreign institutional and selected investors (other than the Bumiputera investors approved by the MITI).

4.13 Details of the underwriting, placement and lock-up arrangements

4.13.1 Underwriting

Pursuant to the Retail Underwriting Agreement, the Managing Underwriter and Joint Underwriters have agreed to severally but not jointly underwrite 102,300,000 Offer Shares under the Retail Offering subject to the clawback and reallocation provisions set out in Section 4.3.3 of this Prospectus and upon the terms and conditions of the Retail Underwriting Agreement for the underwriting fee as set out in Section 4.12.2 above, whilst the salient terms of the Retail Underwriting Agreement are as follows:

For the purposes of this Section,

(i) "**Admission**" means the admission of our Company's entire issued share capital (including the Offer Shares) to the Official List of the Main Market of Bursa Securities and the listing, quotation and trading of our Shares on the Main Market of Bursa Securities becoming effective in accordance with the Listing Requirements;

(ii) "**Business Day**" means a day (other than a Saturday, Sunday or a public holiday in Kuala Lumpur) on which Bursa Securities is open for trading in securities, and banks are open for business in Kuala Lumpur;

(iii) "**Closing Date**" means the last day and time for the acceptance of and payment for the Retail Offering in accordance with this Prospectus and the Application Form or any such date as may be extended from time to time by our Company and/or the Selling Shareholders with the agreement of the Managing Underwriter in writing;

(iv) "**Force Majeure**" means an event, condition or circumstance or its effect which, in the reasonable opinion of the Joint Underwriters:
writers:

(I) is unpredictable and beyond the reasonable control of the party claiming Force Majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation; and

(II) causes such party to be incapable of performing its obligations under the Retail Underwriting Agreement despite all reasonable efforts of such party claiming it as a Force Majeure to prevent it or mitigate its effects,

subject to satisfying the foregoing criteria, a Force Majeure includes without limitation acts of war, acts of warfare, hostilities, invasion, incursion by armed force, act of hostile nation or enemy, government, strikes, lockouts, civil war or commotion, acts of war, hijacking, terrorism, sabotage, riot, uprising against constituted authority, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power, or natural catastrophe including but not limited to fire, explosion, earthquakes, floods, fire, storm, lightning, tempest, explosions, epidemics or other acts of God;

(v) "**Lock-Up Letters**" means the lock-up letters to be issued by our Company, and the Selling Shareholders in favour of the Joint Global Coordinators in the form and manner as agreed by the Joint Global Coordinators, the Selling Shareholders and our Company;

(vi) "**Material Adverse Effect**" means a material adverse effect on:-

(I) the condition (financial or otherwise), prospects, earnings, business or operations of our Company or our Group, taken as a whole; or

(II) the ability of our Company or the Selling Shareholders to perform its or their respective obligations under the Retail Underwriting Agreement, or any of the Retail Underwriting Agreement, the Placement Agreements and the Lock-Up Letters; and

(vii) "**Majority Underwriters**" means such Joint Underwriters (which shall include the Managing Underwriter) whose underwriting commitment collectively represent not less than 60% of the aggregate underwriting commitment of all the Joint Underwriters;

(viii) "**Retail Offer Document**" means this Prospectus, and the Application Form, and where the context so permits or requires, either this Prospectus or the Application Form.

The Managing Underwriter acting under the instruction in writing of the Majority Underwriters may at any time before the date of the Listing, by notice in writing to our Company and the Selling Shareholders, terminate their respective underwriting commitment under the Retail Underwriting Agreement in the event of any of the following:

(a) there shall have been a material breach by our Company or the Selling Shareholders of any of the representations and warranties contained in the Retail Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied within 15 days from receipt of the notice of such breach being given to our Company and the Selling Shareholders by the Managing Underwriter or by the Closing Date, whichever is the earlier;

(b) there shall have been a material breach by our Company or the Selling Shareholders of any of the covenants or obligations contained in the Retail Underwriting Agreement which is not remedied within 15 days from receipt of the notice of such breach being given to our Company and the Selling Shareholders by the Managing Underwriter or by the Closing Date, whichever is the earlier;

(c) the Placement Agreements, Lock-Up Letters and agreements with Cornerstone Investors, if any, or any one (1) or more of them, shall have been terminated in accordance with their terms and/or any of the Selling Shareholders shall have failed to perform their obligations thereunder;

(d) SC or Bursa Securities suspends or revokes any approval for our IPO or makes any ruling (or revokes any ruling previously made), the effect of which is to prevent our Listing or quotation of our Shares on Bursa Securities;

(e) trading of all securities on Bursa Securities has been suspended or materially limited on, or by Bursa Securities, as the case may be for a period exceeding three (3) consecutive Market Days due to exceptional financial circumstances or otherwise;

(f) any new law or regulation or change in law, regulation, directive, policy or ruling in any jurisdiction which in the reasonable view of the Managing Underwriter and the Joint Underwrites has/is likely to have a Material Adverse Effect which is material in the context of our IPO or which in the reasonable opinion of the Managing Underwriter and the Joint Underwriters may prejudice the success of our Listing or which would have the effect of making it impracticable to enforce contracts to allot and/or transfer the Offer Shares or making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms;

(g) there shall have been any other material adverse change, in national or international monetary, financial (including stock market, foreign exchange market, inter-bank market or interest rates or money market or currency exchange rates or foreign exchange controls), political, legal, regulatory, taxation, industrial or economic conditions which in the reasonable opinion of the Joint Underwriters is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

    (i) on or after the date of the Retail Underwriting Agreement; and

    (ii) prior to the date of Listing,

    lower than 85% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Retail Underwriting Agreement and remains at or below that level for at least five (5) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

(h) our Company or the Selling Shareholders withholds any material information from the Managing Underwriter and the Joint Underwriters, which, in the reasonable opinion of the Managing Underwriter and the Joint Underwriters, is likely to have a Material Adverse Effect;

(i) there shall have occurred any outbreak or escalation of hostilities, epidemic, acts of terrorism, acts of God, accidents or interruptions, or any calamity or crisis or other event or series of events in the nature of Force Majeure that, in the reasonable judgment of the Managing Underwriter and Joint Underwriters, is material and adverse and which, singly or together with any other event specified in this clause, makes it, in the reasonable judgment of the Managing Underwriter and Joint Underwriters, impracticable or inadvisable to proceed with the offer, sale or delivery of the Offer Shares on the terms and in the manner contemplated in each Retail Offer Document;

(j) any government requisition or other occurrence of any nature whatsoever which would have a Material Adverse Effect or affect the success of our IPO;

(k) any commencement of legal proceedings or action against any member of our Group or the Selling Shareholders, which in the reasonable opinion of the Managing Underwriter and the Joint Underwriters, would have a Material Adverse Effect or make it impracticable to enforce contracts to allot and/or transfer the Offer Shares;

(l) any of the approvals by Bursa Securities or the SC is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have a Material Adverse Effect in the reasonable opinion of the Managing Underwriter;

(m) our IPO is cancelled by our Company or the Selling Shareholders; or

(n) Admission has not been completed by 9:00 am (Kuala Lumpur time) on 31 October 2013 (or such later date as is agreed between our Company, the Selling Shareholders and the Managing Underwriter).

4.13.2 Placement

We and the Selling Shareholders expect to enter into the Placement Agreements with the Placement Managers in relation to the placement of 318,740,000 Offer Shares under the Institutional Offering, subject to the clawback and reallocation provisions and the Over-Allotment Option as set out in Sections 4.3.3 and 4.3.4 of this Prospectus, respectively. We and each of the Selling Shareholders will be requested, on a several basis, to give various representations, warranties and undertakings, and to indemnify the Placement Managers against certain liabilities in connection with our IPO.

4.13.3 Lock-up arrangements

In connection with the Placement Agreements, we have entered into a lock-up agreement with the Joint Bookrunners on 6 September 2013 ("**Lock-up Date**") under which we agree that for a period beginning on the date of listing of our Shares on the Main Market of Bursa Securities ("**Listing Date**") until the date falling 180 days from the Listing Date ("**Lock-up Period**"), we will not, and shall procure that our affiliates and nominees or trustees holding Shares on trust for or on our behalf shall not, subject to certain exceptions, without the prior written consent of the Joint Bookrunners,

(a) offer, pledge, sell, contract to sell, mortgage, charge, assign, issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, or create any encumbrance, lend, hypothecate or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, our Shares (or any securities convertible into or exercisable or exchangeable for or representing a beneficial interest in our Shares),

(i) held by us as at the Lock-up Date; and

(ii) acquired by us after the Lock-up Date and until and including the Listing Date,

other than the Shares being offered and sold by the Selling Shareholders in connection with our IPO and certain other Shares as described in the lock-up agreements (collectively, the "**Relevant Shares**");

(b) enter into any swap, hedge or derivative or other transaction or arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Relevant Shares (or any securities convertible into or exercisable or exchangeable for or that represent the right to receive or are substantially similar to, our Shares);

(c) agree to do or announce any intention to do any of the above; or

(d) sell, transfer or otherwise dispose of any interest in any shares in any company or other entity controlled by us which is directly, or through another company or other entity indirectly, the beneficial owner of the Relevant Shares.

In connection with the Placement Agreements, each of the Selling Shareholders have entered into a lock-up agreement with the Joint Bookrunners on the Lock-up Date under which it agrees that during the Lock-up Period, it will not, and shall procure that each of its shareholders, affiliates and nominees or trustees holding Shares on trust for or on its behalf shall not, subject to certain exceptions, without the prior written consent of the Joint Bookrunners,

(aa) offer, pledge, sell, contract to sell, mortgage, charge, assign, issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, or create any encumbrance, lend, hypothecate or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, our Shares (or any securities convertible into or exercisable or exchangeable for or representing a beneficial interest in our Shares),

(i) held by it as at the Lock-up Date; and

(ii) acquired by it after the Lock-up Date and until and including the Listing Date,

other than the Relevant Shares;

(bb) enter into any swap, hedge or derivative or other transaction or arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Relevant Shares (or any securities convertible into or exercisable or exchangeable for or that represent the right to receive or are substantially similar to, our Shares);

(cc) agree to do or announce any intention to do any of the above; or

(dd) sell, transfer or otherwise dispose of any interest in any shares in any company or other entity controlled by it which is directly, or through another company or other entity indirectly, the beneficial owner of the Relevant Shares.

The Cornerstone Investors are subject to lock-up arrangements pursuant to which they have agreed that during the Lock-up Period, they will not, without the prior written consent of our Company, the Selling Shareholders and the Joint Bookrunners,

(aaa) offer, pledge, sell, transfer, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of any Offer Shares acquired by the Cornerstone Investors from the Selling Shareholders and any shares or other securities of our Company which are derived therefrom pursuant to any rights issue, capitalisation issue or other form of capital reorganisation of our Company ("**Cornerstone Investors Lock-Up Shares**") or warrants or any securities convertible into or exercisable or exchangeable for the Cornerstone Investors Lock-Up Shares or warrants; or

(bbb) enter into any swap or any other agreement or any transaction that transfers, in whole or in part the economic consequence of ownership of the Cornerstone Investors Lock-Up Shares or warrants; or

(ccc) enter into any transaction with the same economic effect as any transaction described in (aaa) to (bbb) above; or

(ddd) agree or contract to, or publicly announce any intention to enter into, any transaction described in (aaa) to (ccc) above.

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4.14 Trading and settlement in secondary market

Upon our Listing, the Offer Shares will be traded through Bursa Securities and settled by book-entry settlement through CDS, which is operated by Bursa Depository. This will be effected in accordance with the rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to the subscribers or purchasers of the Offer Shares.

Beneficial owners of our Shares are required under the rules of Bursa Depository to maintain the Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors will be treated as our shareholders in respect of the number of Shares credited to their respective securities accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

(i) to facilitate a share buy-back;

(ii) to facilitate conversion of debt securities;

(iii) to facilitate a corporate restructuring process;

(iv) where a body corporate is removed from the Official List of the Main Market of Bursa Securities;

(v) to facilitate a rectification of any error; and

(vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot market. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the third Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 12 Market Days after the close of the Institutional Offering. Subscribers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of a book-entry transfers to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

5. RISK FACTORS

Before investing in our Shares, you should pay particular attention to the fact that, to a large extent, our Group and our operations are governed by the legal, regulatory and business environment in Malaysia, which may in some aspects differ from those which prevail in other countries. Our business is subject to a number of factors, many of which are beyond our control. Prior to making an investment decision, you should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set forth below. The risks and investment considerations set forth below are not an exhaustive list of all the risks that we are currently facing or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

5.1 Risks relating to our business

5.1.1 Our business is highly dependent on global trading volumes, regional and global economic, financial and political conditions

Our core business consists of the development, management and operations of container terminals and the provision of cargo handling and other port-related services and our results of operations are affected by the volume of our business, which in turn depends on worldwide trade volumes as well as the import and export trade volumes of the region in which we operate. Global trade volumes and the import and export trade volumes of the region in which we operate are significantly affected by changes in economic, financial and political conditions regionally or globally that are beyond our control, including sanctions, boycotts and other measures as a result of trade barriers, trade disputes and work stoppages, particularly in the transportation services industry, and acts of war, hostilities, terrorism, natural disasters or epidemics.

The global economic crisis had an adverse effect on the operation of ports and related services in 2008 and 2009. The ports and related services sector saw a significant decline in global throughput and increased pricing pressure in the fourth quarter of 2008 compared to the third quarter of 2008, which continued into 2009. According to Drewry Maritime Advisors, the market recovered in 2010, with a 14.6% increase in global container throughput over 2009 and 4.4% growth over the previous peak in 2008 and in 2012, global container throughput increased by 4.5% over 2011 to reach 621.0 million TEUs. In addition to a general decrease in global import and export activity, the global credit crunch has also adversely affected the global shipping industry, as liquidity problems in the international banking sector have reduced the availability of credit, making the financing of shipments more difficult.

Furthermore, there may be excess capacity in the container shipping industry. According to Drewry Maritime Advisors, the number of new container ships on order as of June 2013 was equivalent to 19.7% of the then-existing global fleet capacity. As a result of this large order book, there may be an excess of capacity over demand in the container shipping industry over the next few years. Should the projected excess capacity in the container shipping industry trigger a fall in freight rates, shipping lines may attempt to reduce costs by pressuring container terminal operators to provide a reduction in rates relating to stevedoring or other services. However, the effectiveness of any such attempt would be affected by the balance between supply and demand for regional container terminal capacity. Any future deterioration in regional and global economic conditions could have an adverse effect on our business, financial condition and results of operations, as well as future growth.

5.1.2 We are dependent on a small number of customers for a significant portion of our business

Our largest customer, CMA CGM Group, contributed more than 10% of our total revenue for the years ended 31 December 2010, 2011 and 2012 and six (6) months ended 30 June 2013 and our five (5) largest customers accounted for an average of approximately 40.4% of our total revenue over those same periods. For details on our customers, refer to Section 7.12 of this Prospectus.

Our major customers are regional and global shipping companies and there can be no assurance that, if we were to lose all, or a significant portion of the business from one (1) or more of these major customers, we would be able to obtain any business from other customers in an amount sufficient to replace any such lost revenue or, even if we were able to obtain business from other customers, that it would be on commercially reasonable terms. Any non-renewal or entering into agreements on terms and conditions unfavourable to us may adversely affect our results of operations and profitability.

Additionally, we expect that a significant portion of our container revenue will continue to be attributable to a limited number of customers in the foreseeable future and if any of these customers reduce their business with us, it may result in lower capacity utilisation of our resources, which could adversely affect our profitability and results of operations.

5.1.3 We may face risks associated with debt financing and the debt covenants which could limit or affect our operations

As of 30 June 2013, we have in place approximately RM700.0 million outstanding in borrowings relating to the SMTN Programmes, of which SMTN I is secured over the amount maintained in certain deposits with certain licensed banks. As of 30 June 2013, the pledged deposits as securities for the borrowings relating to the SMTN Programmes amounted to RM27.1 million.

We are subject to risks associated with debt financing, including the risk that our cash flows will be insufficient to meet the required payments, including payments relating to redemption and profit rate, under our SMTN Programmes. For details on our borrowings and liquidity risk, refer to Sections 12.2.6(iii) and 12.2.14(iii) of this Prospectus, respectively.

If we are not able to meet all of our obligations to repay amounts outstanding on our SMTN Programmes or any future borrowings through our cash flow from operations, we may be required to repay maturing debt with funds from additional debt, equity financing or both. There can be no assurance that such financing will be available, or if so, on acceptable terms. If we fail to make payments under our SMTN Programmes or any future borrowings, the lenders may be able to declare a default and initiate enforcement proceedings and acceleration of payment, which may have an adverse effect on our business, financial condition and results of operations.

In addition, we may also be subject to certain covenants that may limit or otherwise adversely affect our operations. In particular, covenants contained in our current or future financing agreements may restrict us from undertaking capital expenditure in amounts and at times that we deem necessary or desirable or when specified by construction timelines for new container terminal facilities. For instance, under the SMTN Programmes, we are prohibited from making sales of certain assets and we are also required to adhere to certain financial covenants and to maintain certain financial ratios. Such financial covenants may restrict our ability to operate Westports or undertake capital expenditures and may require us to set aside funds for maintenance or repayment of security deposits. The triggering of any of such covenants may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.4 We are exposed to credit risk with respect to our customers and our business could be adversely affected if our customers default on their obligations

While we seek to limit our credit risk by setting credit limits for individual customers, taking financial guarantees from certain customers and monitoring outstanding receivables, our customers may in the future default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. Our credit risk is increased by the fact that our largest customers operate in the same industry and therefore may be similarly affected by changes in economic and other conditions. Delayed payment, non-payment or non-performance on the part of one (1) or more of our major customers, or a number of our smaller customers, could have a material adverse effect on our business, financial condition, results of operations and prospects. For details on our credit risk, refer to Section 12.2.14(ii) of this Prospectus.

5.1.5 Our business requires significant periodic capital expenditure and we may not be able to secure funding as necessary or on desirable terms

We operate in a capital intensive industry that requires substantial amounts of capital and other long-term expenditures including those relating to the development of new container terminal facilities. We recently completed the construction and began full operations of CT6 in March 2013, and intend to continue the expansion of Westports' capacity with the construction of three (3) new container terminals, CT7, CT8 and CT9. We expect CT7 to be completed and become fully operational in 2015 while the timing and construction of CT8 and CT9 will depend on market conditions. Currently, we intend to fund the expansion through cash flows generated from operations and proceeds from the issuance of sukuk under the SMTN II. In the future, however, we may not be able to fund capital expenditure solely from cash provided by our financing facilities or from cash flows from operations, thereby requiring us to obtain additional equity or debt financing. Our ability to arrange external financing and the cost of such financing are dependent on numerous factors, including our future financial condition, contractual restrictions applicable to us, general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investors' confidence in us, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction. We cannot assure you that we will be able to arrange any such external financing on commercially reasonable terms, if at all.

If we are unable to generate or obtain funds sufficient to make, or are otherwise restricted from making necessary or desirable capital expenditure and other investments, we may be unable to grow our business, which may have a material adverse effect on our financial condition, results of operations and prospects.

5.1.6 We are exposed to certain risks in respect of the expansion of our existing terminals and port facilities and the development and construction of new terminals and port facilities

Our new projects contemplated or currently under development include the construction of three (3) new container terminals as well as additional infrastructure to support the new terminals. Such expansion and construction projects, typically require substantial capital expenditure throughout the development, construction and upgrading phases and may take months or years before they become operational, during which time we are subject to a number of construction, financing, operating and other risks beyond our control, including, but not limited to:

(i) shortages of materials, equipment and labour;

(ii) adverse weather conditions and natural disasters;

(iii) adverse changes in demand for our services;

(iv) labour disputes and/or disputes with sub-contractors;

(v) inadequate infrastructure, including as a result of failure by third parties to fulfill their obligations relating to the provision of utilities and transportation links that are necessary or desirable for the successful operation of a project;

(vi) failure to complete projects according to specification;

(vii) accidents;

(viii) changes in governmental priorities; and

(ix) an inability to obtain and maintain project development permission or requisite governmental licences, permits or approvals.

We are in the process of expanding our existing terminals and port facilities and expect to develop and construct new terminals and port facilities. Delays with respect to these projects may negatively affect our ability to complete our current or future projects on schedule, if at all, or within the estimated budget and may prevent us from achieving the projected revenues, internal rates of return or increased capacity associated with such projects. In addition, there can be no assurance that our revenues generated upon the completion of our projects will be sufficient to cover the associated construction and development costs.

In addition, the timing and speed of commencement of revenue-generating operations from our projects and capital expenditures, such as the expansion of our container terminal capacity or the addition of other services, may vary considerably from our expectations based upon the size and complexity of the project being implemented. These factors may make it difficult to replace anticipated income that we do not receive as a result of delays in implementing our services or due to losses of customers, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

5.1.7 We face significant competition in the container terminal industry which could adversely affect our ability to maintain or increase our market share and profitability

The container terminal industry in the region in which we operate is highly competitive. We face significant competition from other ports in the region, such as Northport, Port of Tanjung Pelepas and Port of Singapore for trade volume and throughput. Some of our competitors have greater financial resources, greater capacity, larger facilities and other capabilities, including better connectivity, which generally results in better cost and other efficiencies for customers. As a result, there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors or that our business, financial condition, results of operations and prospects will not be adversely affected by increased competition.

The container terminal industry has been characterised in recent years by the consolidation of participants to create global terminal operators, which enable them to offer global networks to their customers, which are themselves consolidating. According to Drewry Maritime Advisors, the top ten (10) international container terminal operators collectively accounted for more than 63% of global throughput for the year ended 31 December 2011. Industry consolidation has created increased competition for us as other global terminal operators are able to offer their shipping line customers alternative global networks and, in some cases, leverage existing relationships with shipping lines in one (1) region to support growth in other regions. The container shipping industry has also experienced significant consolidation as the major shipping lines seek to capitalise on economies of scale and enhance their global presence. This trend has reduced the number of potential customers for the container terminal industry and increased the impact that losing an existing customer or gaining a new customer could have on a terminal operator's business. For instance, if a current customer of ours merges or forms an alliance with a customer of a competitor port, there is no guarantee that the newly merged entity or newly formed alliance will use our port services rather than our competitors. In addition, shipping lines, which are our major customers, are increasingly investing in seaports and in their own dedicated terminal facilities and to the extent that these customers make such investments in the Straits of Malacca, they may prefer to use these facilities over ours. In addition to consolidation through mergers and acquisitions, shipping lines have increasingly entered into various forms of intra-industry cooperative arrangements, including the creation of liner alliances designed to increase the number of times ships sail on certain routes and broaden geographic coverage. These alliances provide terminal operators with the potential to align themselves as network or preferred terminal operators and thereby mirror the growth of, and make network propositions with respect to, such alliances. We expect that this trend will benefit the largest container terminal operators because of the high investment costs associated with maintaining a portfolio with the geographic scope necessary to offer a network proposition to the major shipping lines. Consolidation within the container terminal and container shipping industries, and the various intra-industry cooperative arrangements has also had the effect of both strengthening the business of our competitors and reducing the number of shipping customers available to us. We cannot assure you that consolidation within or between the container terminal and container shipping industries will not become more prevalent or that our competitors will not undertake additional mergers and acquisitions to increase their capacity, economies of scale and financial and market strength.

There can be no assurance that we will be able to retain our customers in the face of increased competition. For details on competition, refer to Section 7.10 of this Prospectus. If we are unable to compete effectively against our competitors, we may not be able to maintain or increase our market share and may lose customers or be forced to offer better incentives to retain customers, which could have a material adverse effect on our financial condition, results of operations and prospects.

5.1.8 Our results of operations may fluctuate significantly as a result of the seasonality of the shipping industry

The container port industry has historically experienced monthly variations in revenue as a result of various holiday seasons. In the past decade, these variations have resulted in monthly volatility in our operating results with revenues generally growing throughout the course of the year with increases during certain holiday seasons. In 2012, Westports' throughput experienced steady growth throughout the year as a result of increased cargo shipments from Asia and the Middle East, which peaked as a result of the Chinese New Year and the month of Ramadan, which in turn had caused an increase in throughput at various times throughout the year. As a result, our results of operations may fluctuate significantly and comparisons of operating results between different periods within a single financial year, or between different periods in different financial years, may not necessarily be meaningful and should not be relied upon as an indicator of our overall performance.

5.1.9 Our inability to successfully implement our expansion plans and effectively manage our growth strategy could have an adverse effect on our business, results of operations and financial condition

We have experienced considerable growth in our revenue over the past three (3) financial years. Our operational revenue for the years ended 31 December 2010, 2011 and 2012 was approximately RM975.0 million, RM1,115.3 million and RM1,226.2 million, respectively. Similarly, we have experienced growth in our operational revenue from RM600.5 million for the six (6) months ended 30 June 2012 to RM642.8 million for the six (6) months ended 30 June 2013. Our future prospects will depend upon our ability to grow our business and operations further. There can be no assurance that we will be able to grow our business and operations at the expected levels or at all, and accordingly, we cannot assure you that our operating revenue will continue to achieve a growth rate similar to those achieved in recent years.

Further, there can be no assurance that we will be able to effectively manage growth in business levels pursuant to the implementation of our expansion plans. In order to manage the growth effectively, we must also implement and improve our operating systems, IT platforms, procedures and internal controls on a timely basis. If we fail to implement such systems, procedures and controls or if there is any weakness in our internal controls, we may not be able to meet our customers' needs, hire and retain new employees, pursue new businesses, complete future strategic agreements or operate our business effectively.

There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or to establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.10 Rising costs of fuel and electricity may affect us

Fuel and electricity costs account for a significant portion of our operating expenses. Any increase in the costs of fuel and electricity as a result of market forces or inflationary pressure may adversely affect our business, financial condition, results of operations and prospects. For example, our fuel cost increased by 55.6% from the year ended 31 December 2010 as compared to the year ended 31 December 2011 which was primarily due to, among others, the increase in fuel price, which increased by 40.0% from an average of US$90.05 per barrel in 2010 to an average of US$126.06 per barrel in 2011. Fuel and electricity costs accounted for 15.8%, 18.9% and 19.1% of our total operational cost of sales for the years ended 31 December 2010, 2011 and 2012, respectively. Fuel and electricity costs accounted for 19.5% and 17.5% of our total operational cost of sales for the six (6) months ended 30 June 2012 and 2013, respectively.

5.1.11 Increases in our costs may materially and adversely affect our operating results if we are unable to pass on such increases to our customers through an increase in tariffs in a timely manner

The tariffs we charge customers in our port business are regulated by the PKA and must comply with a published list of maximum tariffs that can be charged. The PKA is a regulatory body established to facilitate and regulate Port Klang with regards to policy-making and investment planning, and, in cooperation with the GOM which sets the maximum tariffs, is responsible for regulating the maximum tariff rates we may charge to customers and prohibiting any changes in those tariffs.

Tariff increases have been implemented in phases and thus there may be time lags between the events that caused us to petition for an increase and the actual increase in the tariff, which could negatively affect our results of operations. If we are unable to raise tariffs in a timely manner to cover increased expenses or to respond to changes in market conditions, our business, financial condition and results of operations may be adversely affected. For details on tariffs and fees, refer to Section 7.6.5 of this Prospectus.

5.1.12 Our operations are dependent on the availability of good road and rail connectivity and any disruption in the operation of or delays in the improvements to the road and rail network may have an adverse effect on our business and results of operations

Port Klang's South Port connects to Westports via rail which connects Westports to inland depots such as Ipoh Cargo Terminal in Perak, Nilai Inland Port in Negeri Sembilan, Padang Besar (at the Malaysian-Thailand border) and Segamat Inland Port in Johor. Through the Port Klang – Kuala Lumpur railway line, Westports is linked to the entire Malayan Railways network (also known as Keretapi Tanah Melayu railway network). Additionally, the North-South Expressway, North-South Expressway Central Link, Shah Alam Expressway and South Klang Valley Expressway all provide transport connectivity between Westports and the rest of Malaysia. As we are planning for capacity expansion, there can be no assurance that the existing system can cater for the increase in traffic resulting from increased throughput at our expanded facilities.

In addition, we are working with the local authorities to improve transportation links to the Klang Valley and the rest of Peninsular Malaysia. For example, we are currently in negotiations with the relevant authorities to approve additional funding to expand the access road to Pulau Indah from the current two (2) lanes to three (3) lanes in each direction. In addition, we expect that the South Klang Valley Expressway, certain sections of which are still under construction and expected to be operational by 2014, will provide additional access and reduce transportation time for cargo to and from South Klang Valley. However, there can be no assurance that existing or planned supporting road, highway and railway infrastructure near Westports will be completed or will not be closed, relocated, terminated or delayed. Such an occurrence would adversely impact the accessibility of Westports and our appeal and marketability to customers. This, in turn, may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.13 Changes in technology or improper maintenance may render our current equipment obsolete or require us to make substantial capital investments

Our business operations depend on key pieces of technologically advanced equipment and machinery, including cranes and yard handling equipment which are essential to our operations. We may be unable to ensure that such equipment and machinery are in line with the latest technological advances. The operation of such equipment and machinery may result in customers using competitor ports equipped with more advanced and efficient equipment resulting in a loss of revenue which may have an adverse effect on our business, financial condition and results of operations. For example, the increasing containerisation of cargoes in recent years has resulted in the construction of larger container vessels, which benefit from lower operating and voyage unit costs, such as fuel, port and canal fees, manning, repairs, insurance and ship management costs. According to Drewry Maritime Advisors, the average container vessel size has tripled over the past 20 years and will continue to grow as approximately 76% of the current containership order book is composed of ships in excess of 8,000 TEUs. The increasing number of relatively large ships puts pressure on container terminal operators to offer facilities with deepwater access and develop sophisticated shipping and port-related technology to meet the demands of these larger vessels (over 300 metres in length).

Further, a significant part of the equipment which we use requires regular maintenance, upgrading, revamping or replacement. Despite our planned operating and capital expenditure, there can be no assurance that the equipment will not suffer material damage through wear and tear, natural disasters or industrial accidents, or will not require further significant capital improvements or maintenance in the future. Additionally, we may fail to maintain sufficient financing and budgetary controls, planning and monitoring systems, procurement coordination, scheduling for equipment upgrading and maintenance and efficient use of hired services with respect to our equipment, all of which may increase the cost of operations which could have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.14 Our IT systems which operate the terminal facilities may be subject to failure, which could result in delays to our operations

Our business spans a wide range of activities that are subject to rapid and significant changes in technology. We currently use our IT systems to facilitate a smooth flow of traffic and transactions, all of which adhere to current standards. We operate a variety of software programs and systems that control various aspects of Westports' operations. Examples of such systems are COSMOS, which controls every aspect of Westports' operations and our e-Terminal Plus, which provides an interface to the entire port community and integrates many of our operations to benefit our customers. In addition to these primary IT systems, we utilise other types of software and IT to ensure that there are no interruptions to Westports' operations. We have had temporary outages of our software systems in the past, and any material failure or breakdown in these systems in the future could interrupt normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could significantly impact our ability to offer services to our customers, which may have an adverse effect on our business, financial condition, results of operations and prospects. Similarly, any significant delays or interruptions in our IT systems could cause delays and interruptions in the loading or unloading of customer cargo which could negatively impact our reputation as an efficient and reliable terminal operator.

5.1.15 We rely on third party vendors for certain port operations which may be subject to interruption

We rely on certain third party vendors to supply and maintain much of our equipment and IT systems as well as provide marine tug boat services, pilotage services and prime mover fleet services. In the event that one (1) or more of such third party vendors cease operations or become unable or unwilling to meet our needs, for example, due to work stoppage or labour unrest, there can be no assurance that we would be able to replace any such vendors promptly or on commercially reasonable terms. Delay or failure in finding suitable replacements could adversely affect our business, financial condition, results of operations and prospects.

5.1.16 We may not maintain sufficient insurance coverage for the risks associated with the operation of our business

Though we maintain insurance policies covering both assets and employees on terms common to the industry, our operations may be affected by a number of risks, including terrorist acts and war-related events, for which full insurance cover is either not available or not available on commercially reasonable terms. In addition, the severity and frequency of various other events, such as accidents and other mishaps, business interruptions or potential damage to our facilities, property and equipment caused by inclement weather, human error, pollution and labour disputes, as well as risks relating to our provision of services to customers, including, with respect to our container terminal operations, damage to customers' property, delays, misrouting of cargo and documentation errors, may result in losses or expose us to liabilities in excess of our insurance coverage or significantly impair our reputation. There can be no assurance that our insurance coverage will be sufficient to cover the loss arising from any or all such events or that we will be able to renew our existing insurance cover on commercially reasonable terms, if at all.

Should an incident occur in relation to which we have no insurance cover or inadequate insurance cover, we could lose the capital invested in, and anticipated future revenues relating to, any property that is damaged or destroyed and, in certain cases, we may remain liable for financial obligations related to the impacted property. Similarly, in the event that any assessments are made against us in excess of any related insurance cover that we may maintain, our assets could be subject to attachment, confiscation or restraint under various judicial procedures. Any of these occurrences could have an adverse effect on our business, financial condition, results of operations and prospects.

Additionally, we are required to obtain insurance as per the terms of the Port Licence granted under the Privatisation Agreement and have secured insurance such as industrial all risk insurance, equipment all risk insurance, public liability insurance, corporate liability insurance and statutory insurances. If we fail to maintain sufficient levels of insurance, PKA may obtain such insurance policies on our behalf and PKA will be entitled to recover cost and expenses incurred in doing so with interest chargeable at an agreed rate, which may adversely affect our business, financial condition and results of operations. For details on our insurance policies, refer to Section 7.8 of this Prospectus.

5.1.17 Upgrading or repairs to the container terminals may disrupt our operations

Our container terminals may need to undergo upgrading or redevelopment works from time to time and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. Our business and operations may suffer some disruptions and it may not be possible to continue operations on areas affected by such upgrading or redevelopment works.

In addition, physical damage to the container terminals resulting from fire, severe weather or other causes may lead to a significant disruption to the business and operations of Westports and, together with the foregoing, may impose unforeseen costs and may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.18 We are required to have a number of approvals, licences, registrations, permits and property rights for our business from various regulatory authorities as well as under the Privatisation Agreement, and the failure to obtain or renew them in a timely manner may adversely affect our operations

We require a number of approvals, licences, registrations and permissions for operating our business, *inter alia*, approvals from various government entities such as for a Port Licence and Lease Agreement from the PKA, a licence for the management, operation and maintenance of information assets and information systems from CyberSecurity Malaysia, an agency under the Ministry of Science, Technology and Innovation, and certificates of fitness for our hoisting machines and unfired pressure vessels from the Department of Occupational Safety and Health, some of which may have expired and for which we have either made or are in the process of making an application for obtaining approval or renewal. However, there can be no assurance that such approval or renewal will be obtained, which could have a material adverse effect on our operations. For further details on our major licenses and permits, refer to Section 7.9 and Annexure B of this Prospectus.

We are also required to obtain approval from the GOM for various activities under the Privatisation Agreement. Under the Privatisation Agreement and the Port Licence, we are required to ensure that Westports complies with all plans, policies and directives of the GOM and the PKA, including the Malaysian National Port Policy and the Westports Development Plan, and to ensure that Westports remains equipped to provide and maintain a full range of competitive and adequate port services. Furthermore, we are required to ensure that Westports' facilities and services are profitable and effectively managed, and are required to allow the GOM and/or the PKA to conduct operational and financial audits throughout the concession period. We are also required to comply with all laws and the GOM policies on the conservation and preservation of the environment within Westports and to take all reasonable precautions to prevent pollution and adhere to all laws and regulations pertaining to pollution and discharge of effluent matters.

Our Port Licence may be suspended or revoked if the Privatisation Agreement or the Lease Agreement is terminated (for whatsoever reason). In this regard, we cannot assure you that such agreements will not be prematurely terminated (with or without cause) by the GOM or PKA, respectively.

Additionally, any expansion of the scope of the regulations governing the environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of our ability to address environmental incidents or external threats.

Our failure to obtain or comply with any of these or any other required approvals or licences, registrations, permits or renewals thereof, in a timely manner, or at all, could lead to substantial penalties, including criminal or administrative penalties, other punitive measures and/or increased regulatory scrutiny, trigger a default under one (1) or more of our financing agreements or invalidate and/or increase the cost of the insurance that we maintain for our business. For the most serious violations, we may also be forced to suspend operations until we obtain such certifications, permits or licences or otherwise bring our operations into compliance. If we are unable to control the costs involved in complying with these and other laws and regulations, or recover the full amount of such costs from our customers, our business, financial condition, results of operations and prospects may be adversely affected.

Furthermore, we may not be able to renew our Lease Agreement on the same terms upon expiration. Any revision or alteration of the terms of the Lease Agreement could adversely affect our business, financial condition, results of operations and prospects.

5.1.19 Our inability to maintain the Privatisation Agreement may adversely affect our financial condition and results of operations

The Privatisation Agreement with the GOM and PKA contains clauses that allow the GOM or PKA to terminate the Privatisation Agreement if we do not comply with any provision, obligation, covenant, warranty or undertaking as stipulated in the Privatisation Agreement or our Port Licence, which includes compliance with any policy of the GOM and PKA and other directives of the GOM. Additionally, the GOM may terminate the Privatisation Agreement without any reason if the GOM considers that such termination is necessary for national interest, in the interest of national security or for the purpose of government policy or public policy. The GOM via UKAS, in granting its consent to our IPO and the Listing, had imposed a condition that 51% of the equity shareholding in WMSB must be held by Malaysian citizens at all times after the Listing.

To the extent the level of shareholdings of Malaysians in WHB falls below 51%, remedial measures may include: (i) undertaking a proposal involving the issuance of new WHB Shares to Malaysians subject to regulatory and shareholders' approvals being obtained; (ii) seeking the assistance of our Malaysian major shareholders to increase their shareholding in our Company; and (iii) seeking indulgence from the GOM, via UKAS, for an extension of time to comply with the said condition whilst we formulate other potential remedial measures to address any shortfall. We cannot assure you that the GOM will grant us an extension of time to comply or address the equity shareholding condition or that our Malaysian major shareholders would lend any assistance, and there can also be no assurance that the Company would be able to complete such an issuance of Shares and any issuance may dilute our Company's then existing shareholders.

There can be no assurance that the Privatisation Agreement will not be prematurely terminated (with or without cause) or that we will not be penalised (with or without cause) by the GOM. If we are unable to maintain the Privatisation Agreement, our business, results of operations, financial condition and prospects may be adversely affected.

In addition, under the terms of the Privatisation Agreement, WMSB attained the right to develop and operate Westports for a period of 30 years until 31 August 2024. The GOM has agreed to extend this period by another 30 years to 31 August 2054, subject to the fulfilment of the following conditions: (i) the completion of the reclamation of the land and incidental works for CT6 to CT9 on or before 1 January 2014; and (ii) the completion of construction works for CT6 to be fully operational on or before 1 January 2014. In March 2013, the construction works for CT6 were completed and CT6 commenced full operations. In September 2012, land reclamation and incidental works for CT7 was completed. Furthermore, as at the LPD, approximately 91% of the land reclamation and incidental works for CT8 and CT9 have been completed and are expected to be fully completed by 31 December 2013. If we fail to satisfy the remaining conditions for the extension by the prescribed date and such condition cannot be extended, waived or amended, we may not be able to extend the concession beyond 31 August 2024, which may have an adverse effect on our business, results of operations, financial condition and prospects.

5.1.20 Our operations are subject to extensive environmental, health, safety and other related regulations

We, like other port operators globally and regionally, are subject to various central, state and local environmental, health and safety laws and regulations concerning issues such as accidents, damage caused by air emissions, wastewater discharges, solid and hazardous waste handling and disposal. These laws, rules and regulations also prescribe the punishments for any violations. In addition, we are subject to the ISPS Code which places additional security, safety and other such obligations on us. Any such additional compliance would require substantial investment in time on behalf of our management and staff, which may adversely affect our business and results of operations. Further, if we fail to adhere to such newly enacted or newly applicable laws, rules or regulations, we may lose accreditation and our operations may be disrupted. For details on safety, health and environment and quality assurance, refer to Section 7.7 of this Prospectus.

While we believe that our facilities are in compliance in all material respects with the applicable environmental laws and health and safety regulations and we have obtained the requisite permissions and clearances, we may incur additional costs and liabilities in relation to environmental concerns and compliance with these laws and regulations or any remedial measures in relation thereto. These additional costs and liabilities could be the result of penalties, fines, remedial measures and clean up liabilities or due to failing to adequately comply with more onerous laws or regulations. Any non-compliance with such laws and regulations may force us to close Westports' operations until we are in compliance with these laws and regulations, and in that event, our business, results of operations, financial condition and prospects may be adversely affected.

5.1.21 We may handle goods that are hazardous, which could result in spills and/or environmental damage

Certain of our customers are involved in the transportation of hazardous materials. The transportation of these materials, which are handled by us or our third-party operators, such as petroleum or chemicals, is subject to the risk of leaks and spills, which may cause environmental damage. Furthermore, our customers may ship undeclared hazardous cargo to avoid surcharges for which we may be held accountable. Although our management believes that our container terminals do not handle or store these hazardous chemicals in quantities that are in violation of any applicable regulations, there can be no assurance that they have not in the past or will not in the future violate applicable environmental regulations. Violations of environmental regulations may subject us to fines and penalties or result in the closure or temporary suspension of our operations. If we are found to have violated any environmental regulations because of the cargo handled and stored or required to discontinue handling such cargo, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

5.1.22 Our business and facilities may be adversely affected by severe weather conditions or natural disasters in Malaysia or elsewhere

Our business and operating facilities may be adversely affected by severe weather conditions, such as heavy rain and flooding, haze, dense fog and low visibility, climatic changes or natural disasters such as earthquakes, tremors, tsunamis and hurricanes. Such severe weather conditions, climatic changes or natural disasters may force us to temporarily suspend operations at our terminals. In some cases, we may temporarily suspend operations based on warnings from local and national meteorological departments. If weather conditions, climatic changes or natural disasters of any type were to force the terminals to close for an extended period of time, our facilities and our business may be adversely affected. In addition, any weather condition, climatic change or natural disaster, including but not limited to severe monsoons or flooding, affecting ports that serve as starting points or final destinations for shipping lines calling at Westports may have an adverse effect on our business.

Additionally, natural disasters in Malaysia or in Southeast Asia may lead to a disruption of transportation networks, information systems and communication service on which we rely for sustained periods of time. Further prolonged spells of natural calamities could have a negative impact on the Malaysian economy, adversely affecting our business. We may also be liable to our customers for disruption in our operations resulting from such damage or destruction. Furthermore, prolonged disruption of port operations may entitle our customers to terminate their contracts. Any such disruptions may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.23 Our operations depend on the adequate and timely supply of spare parts and equipment at acceptable prices and quality

Our successful operations depend on our ability to obtain spare parts and equipment from suppliers at commercially acceptable prices and quality in a timely manner. We are exposed to the market risk of price fluctuations for certain spare parts and equipment. The prices and availability of such items may vary significantly from period to period due to factors such as consumer demand, production capacity, market conditions and costs of raw materials.

The supply of spare parts and equipment required for our operations to a large extent depends on the economic, natural and other conditions of the region where we operate our business. As such, we cannot assure you that we will be able to continue to obtain sufficient spare parts or equipment at commercially acceptable prices, in a timely manner, or at all. Furthermore, if we are forced to acquire such items at commercially acceptable prices, we may be prevented from passing on any cost increases to our customers. Any failure to obtain adequate spare parts and equipment in a timely manner or to do so on commercially acceptable terms, may materially and adversely affect our business, results of operations and financial condition.

5.1.24 We are exposed to certain operational risks relating to work stoppages

We may experience disruptions to our operations due to labour disputes or other labour unrest and are exposed to the risk of formation of unions, which may adversely affect our business, financial condition, results of operations and prospects. Any disruptions of transportation services or the vendors of our outsourced services due to strikes, or other events could also impair our customers' ability to use any of our terminals. Such disruptions may adversely affect our business, financial condition, results of operations and prospects.

5.1.25 Certain tax incentives or exemptions from the GOM may no longer be available to us in the future

We are eligible for certain tax incentives and exemptions granted by the GOM relating to capital expenditure allowances. For us to benefit from these tax incentives and exemptions, certain conditions must be satisfied during the period in which these tax incentives are in effect. For details on our tax benefits and tax expense, refer to Sections 12.2.2(v) and 12.2.4(x) of this Prospectus, respectively. To the extent that these conditions are not met before their respective expiry dates, these tax incentives and exemptions may no longer be available to us. If GOM authorities choose to discontinue the tax benefits we currently receive, either due to our failure to meet certain conditions necessary for such renewal or due to a change in law, our results of operations and financial position may be adversely affected.

5.1.26 Fluctuations in currency exchange rates may have an adverse effect on our results of operations

Although our revenue is denominated in RM, we are exposed to fluctuations in foreign currency exchange rates in relation to purchases in currencies other than RM. We have incurred, and expect to continue to incur, expenses, such as purchases of machineries and parts, which are denominated mainly in US Dollar. For the six (6) months ended 30 June 2013, approximately RM76.3 million of our purchases were denominated in foreign currencies. Further, our purchase of fuel, although denominated in RM, is exposed to fluctuations in foreign currency exchange rates as our fuel cost is also dependent on the global fuel price. As a result, currency fluctuations may have an impact on our results of operations. A depreciation of RM against US Dollar could increase the costs of fuel, machineries and parts necessary for the operation of our business. Conversely, an appreciation of RM against US Dollar may reduce the costs of fuel and such equipment in RM terms. Furthermore, an appreciation of the RM against other currencies may reduce our revenues due to a reduction in our competitiveness as the tariffs charged for our services may be more costly as compared against other currencies charged by our competitors. For details on currency risk, refer to Section 12.2.14(iv) of this Prospectus.

5.1.27 Our key management team and other key personnel in our business units are critical to our continued success and the loss of, or the inability to attract and retain, such personnel in the future could harm our business

Our success substantially depends on the continued service and performance of our key management team and other key personnel for the management and running of port operations and the planning and execution of our business strategy. Our ability to implement our business strategy will depend, in large part, on our ability to attract, train, motivate and retain highly skilled personnel. There is intense competition for experienced senior management and other key personnel with technical and industry expertise in the port industry and if we lose the services of any of these key individuals to competitors and are unable to find suitable replacements in a timely manner, our ability to implement and realise our strategic objectives could be impaired.

The loss of services of some of our senior management team may adversely affect our business, results of operations and prospects. For details on our key management, refer to Section 9.6 of this Prospectus.

5.1.28 The GOM (through MOF Inc.) by virtue of the Special Share may have interests which conflict with those of our shareholders

Pursuant to the Privatisation Agreement, WMSB is required to ensure that one (1) Special Share is held by the GOM through the MOF Inc. The Special Share is currently held by the MOF Inc. but may be transferred to its successor or any minister of the GOM, representative or any person acting on behalf of the GOM. The MOF Inc. as the holder of the Special Share ("**Special Shareholder**") or any person acting on behalf of the Special Shareholder shall be entitled to receive notice of and to attend and speak at all general meetings or any other meeting of any class of shareholders of WMSB, but the Special Share shall carry no right to vote or any other rights at such meeting. The Special Shareholder shall be entitled to nominate one (1) director to be on the board of directors of WMSB.

Certain matters, including the alteration of the Articles of Association of WMSB relating to the rights of the Special Shareholder, proposed dissolution of WMSB, issuance of new shares (when aggregated with all other existing issued shares of WMSB, carry the right to cast on a poll more than 10% of the right to vote by all members at a general meeting of WMSB) or any substantial disposal of assets or any proposals affecting national interests, require the prior consent of the Special Shareholder. There can be no assurance that the interests of the GOM-appointed board member or the representative of the Special Shareholder will be aligned with those of our shareholders, in particular on matters involving national interests. For the terms of the Special Share held by the MOF Inc., refer to Section 6.5 of this Prospectus.

5.1.29 Any change in government control or regulations may have an adverse effect on our financial condition

The growth of the shipping and logistics industry moves in tandem with the growth of the manufacturing industry. Therefore, any government control or regulations imposed on either the shipping industry or the manufacturing industry could adversely affect our future growth and level of profitability.

The GOM does, from time to time, adopt policies and implement guidelines that may affect business in Malaysia, such as methods of taxation, currency exchange controls, licensing regulations and other regulations. However, there can be no assurance that any change or amendments to the laws, policies and regulations by the GOM will not adversely affect our business, financial condition, results of operations and prospects.

5.1.30 The pro forma financial information contained in this Prospectus may not accurately reflect our historical financial position, results of operations and cash flows

The pro forma financial information as of and for the years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2013 included elsewhere in this Prospectus have been prepared incorporating adjustments to reflect the MSA Termination and its related tax effects at the statutory tax rate of 25%. As the pro forma financial information is prepared for illustrative purposes only, such information, because of its nature, may not give a true picture of the effects of the adjustments on our financial position, results of operations or cash flows had the MSA Termination actually occurred on the stated date of such pro forma financial information. Further, such information does not purport to predict our future financial condition, results of operations, prospects or cash flows.

As a result, your ability to understand our financial condition, results of operations or cash flows based on our historical consolidated financial statements or pro forma financial information may be limited.

5.1.31 Forward-looking statements in this Prospectus may not be accurate and are subject to uncertainties and contingencies

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminologies such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competitive environment of the industry in which we operate, the impact of future regulatory or government policy changes affecting us or the industry in which we operate, the continued availability of capital and financing and other factors beyond our control.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved and we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

5.1.32 Terrorist acts and other catastrophic events may affect our operations

Our business operations could be adversely affected or disrupted by terrorist attack, natural disasters (such as earthquakes, floods, tsunamis, hurricanes, hydrologic and climatic patterns, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

(i) invasion, piracy, sabotage, rebellion, revolution, insurrection, military or usurped power, war and radioactive or other material environmental contamination;

(ii) riots or other forms of civil disturbance;

(iii) any recurrence of severe acute respiratory syndrome or outbreak of Avian Flu or other contagious disease, which may adversely affect global or regional trade volumes or customer demand with respect to cargo transported to or from affected areas or lead to any imposition of quarantines;

(iv) denial of the use of any railway, port, airport, shipping service or other means of public transport; and

(v) strike or lock-out or other industrial action by workers or employers.

5.1.33 Certain of our structures that we currently use do not have the requisite CFOs, which may adversely affect our operations

Our development applications for our port facilities which are in accordance with the Westports Development Plan are submitted to the PKA for their approval prior to the development of our port facilities. Our port facilities that are constructed and completed as at the date of this Prospectus have all been issued with certificates of practical completion. These certificates of practical completion were issued by the independent consulting engineer in-charge of the construction and development of our port facilities.

Notwithstanding this, certain wharves and structures that we are currently utilising do not have the requisite CFOs and in view of this, we have submitted the applications for some of the CFOs on 31 January 2013 and 14 August 2013, respectively. As at the LPD, there are certain applications for the CFOs which have not been made and we have not yet obtained the CFOs for applications which had been made on the aforementioned dates. Refer to Annexure A of this Prospectus for details of the wharves and structures which are pending the said CFOs.

Although we are taking necessary steps to obtain the CFOs for these wharves and structures, there can be no assurance that we will receive the CFOs and neither can we assure you that we will not be penalised for utilising the said wharves or structures without a CFO. Further, there can be no assurance that we will be able to submit the aforesaid outstanding applications in a timely manner as such applications are dependent upon various GOM agencies' inspection and/or approval.

Our failure to obtain these CFOs in a timely manner, or at all, could lead to the imposition of penalties and/or other punitive measures. In addition, there can be also no assurance that our business, financial condition, results of operation and prospects will not be adversely affected as a result of any imposition of penalties and/or other punitive measures or our failure to obtain the CFOs in a timely manner, or at all.

5.2 Risks relating to the port industry

5.2.1 We rely on security procedures carried out at other port facilities and by our shipping line customers, which are outside our control

We inspect the physical condition and the seals of containers that enter Westports in accordance with our own practices and the inspection procedures prescribed by, and under the authority of the PKA charged with oversight of Westports. We also rely on the security procedures carried out by shipping line customers and the port facilities that containers have previously passed through to supplement our own inspection to varying degrees.

However, there can be no assurance that the cargo that passes through Westports will not be affected by breaches in security or acts of terrorism, either directly or indirectly, in other areas of the supply chain, which would have an impact on us. A security breach or act of terrorism that occurs at one (1) or more of the facilities, or at a shipping line or other port facility that has handled the cargo prior to the cargo arriving at our facilities, could subject us to significant liability, including the risk of litigation and damage to our reputation.

In addition, a major security breach or act of terrorism that occurs at one of the facilities or one of our competitors' facilities may result in a temporary shutdown of the container terminal industry and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including us. The costs associated with any such outcome may have an adverse effect on our business, financial condition, results of operations and prospects.

5.2.2 Additional security requirements may increase our operating costs and restrict our ability to conduct our business

In recent years, various international bodies and governmental agencies and authorities have implemented numerous security measures that affect container terminal operations and the costs associated with such operations. Examples of recent security measures include the ISPS Code, which was implemented in 2004, and, to the extent that we handle cargo destined for the United States, the global security initiatives emanating from the US Safe Ports Act of 2006, specifically the Container Security Initiative and the Secure Freight Initiative, which require us to work with US Customs and Border Protection agents to identify high risk containers prior to shipment to the United States. Failure to comply with the security requirements applicable to us or to obtain relevant security-related certifications may, among other things, prevent certain shipping line customers from using our facilities and result in higher insurance premiums, which could have an adverse effect on our business, financial condition, results of operations and prospects.

The costs associated with existing and any additional or updated security measures will negatively affect our operating income to the extent that we are unable to recover the full amount of such costs from our customers, who generally also have faced increased security-related costs. Similarly, additional security measures that require us to increase the scope of our screening procedures may effectively reduce the capacity of, and increase congestion at, Westports, which may negatively affect our business, financial condition, results of operations and prospects.

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5.3 Risks relating to our Shares

5.3.1 Future issuance or sales, or market perception of sales, of substantial amounts of our Shares or other securities relating to our Shares in the public market could materially and adversely affect the prevailing market price of our Shares following our IPO

Future sales by our shareholders of substantial amounts of our Shares or other securities relating to our Shares in the open market after the IPO, or the perception that these sales may occur, could adversely affect the market prices of our Shares prevailing from time to time. The market price of our Shares may decline as a result of future sales of substantial amounts of our Shares or other securities relating to our Shares in the open market, the issuance of new Shares or other securities relating to our Shares, or the perception that such sales or issuances may occur. This could also materially and adversely affect our ability to raise capital at a time and at a price we deem appropriate.

5.3.2 Ownership and control by our existing shareholders

Our controlling shareholders, PRSB and SASB (being a person connected to PRSB), will collectively hold in aggregate approximately 46.80% (on the assumption that the Over-Allotment Option is not exercised) of our issued and paid-up share capital upon Listing, of which, as at the LPD, 30,612,245 Pre-subdivided WHB Shares have been pledged with AmBank (M) Berhad as security for bank facilities granted to PRSB. As a result, the controlling shareholders will be able to influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations. We cannot assure you that the views of our controlling shareholders will be aligned with that of management or of our other shareholders.

5.3.3 There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained

There has been no prior market for our Shares and it is uncertain whether a market will ever develop or, if a market does develop, whether it will be sustained. There can be no assurance as to the liquidity of any market that may develop for our Shares, the ability of our shareholders to sell their Shares or the prices at which holders would be able to sell their Shares.

Our Shares could trade at prices that may be lower than the Final Retail Price and/or Institutional Price depending on many factors, including prevailing economic and financial conditions in Malaysia, our operating results and the markets for similar securities. In addition, markets for securities in emerging markets have been subjected to disruptions that have caused intense volatility in the prices of securities similar to our Shares. There can be no assurance that the market for our Shares, if any, will not be subject to similar disruptions. Any disruption in such markets may have an adverse effect on the price of our Shares.

5.3.4 Our Share price and trading volume may be volatile

The market price of our Shares may fluctuate as a result of, among others, variations in the trading liquidity of our Shares, differences between our actual financial operating results and those expected by investors and analysts, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations. The market price of our Shares is also susceptible to developments in the port and shipping industry, including new developments or technology advancements, corporate exercises, acquisitions or strategic alliances by our competitors.

Furthermore, if the trading volume of our Shares is low, any price fluctuation may be exacerbated. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Final Retail Price and/or the Institutional Price.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility which have affected the share price of many public listed companies. Share prices of these companies have experienced wide fluctuations which were not always related to their respective operating performance. There can be no assurance that the price and trading volume of our Shares will not suffer similar fluctuations in the future.

5.3.5 We cannot assure you that we will declare and distribute any dividends in the future

Dividend payments are not guaranteed and our Board may decide, at its absolute discretion, at any time and for any reason, not to pay dividends or to change our dividend policy. If we are unable to pay dividends in accordance with our dividend policy, or unable to pay dividends at levels anticipated by our investors, the market price of our Shares may be negatively affected and the value of any investment in our Shares may be reduced.

Under our current policy, we propose to pay dividends out of cash generated from our operations after setting aside necessary funding for capital expenditure and working capital requirements. As part of this policy, our Company targets a dividend payout ratio of not less than 75% of our consolidated profit attributable to our equity holders under MFRS and IFRS, beginning 1 January 2013.

Any payment of dividends may adversely affect our ability to fund unexpected capital expenditures as well as the ability to make payments on our borrowings and financing if cash flow from operations is insufficient. As a result, we may be required to incur additional borrowings or raise new capital by issuing equity securities, which we may not be able to do on favourable terms, or at all. Furthermore, in the event that we incur new borrowings subsequent to our IPO, we may be subject to financial covenants restricting our ability to pay dividends.

In addition, we are an investment holding company and we conduct substantially all of our operations through WMSB. Accordingly, an important source of our income, and consequently an important factor in our ability to pay dividends on our Shares, is the amount of dividends and other distributions that we receive from WMSB. The ability of WMSB to pay dividends or make other distributions to us in the future will depend upon, among others, its operating results, earnings, capital requirements and general financial condition, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from WMSB. For example, under the SMTN II, WMSB may not declare dividend on share capital if upon such declaration or following such declaration (i) (a) its finance service cover ratio is less than 1.25 times, or (b) its finance to equity ratio exceeds 2.00 times, (ii) an event of default occurs, and (iii) funds in the sinking fund account and/or profit service reserve account do not meet the required credit balance.

In addition, changes in MFRS and IFRS may also affect the ability of WMSB, and consequently, our ability, to declare and pay dividends. Furthermore, as a shareholder of WMSB, our claims against WMSB will generally rank junior to those of all other creditors and claimants of WMSB. In the event of WMSB's liquidation, there may not be sufficient assets after paying creditors and claimants for us to recoup our investment and this may have a material and adverse effect on our business, results of operations and financial position. For a description of our dividend policy, refer to Sections 3.10 and 12.6 of this Prospectus.

5.3.6 There may be a delay in our Listing or failure to list our Shares

Our Listing may be potentially delayed or aborted upon the occurrence of certain events, including the following:

(i) we are unable to meet the public shareholding spread requirement under the Listing Requirements of having at least 25.0% of our Shares for which Listing is sought being held by at least 1,000 public shareholders holding not less than 100 Shares each at the point of Listing; or

(ii) the revocation of the approval of Bursa Securities for the Listing and/or admission to the Official List for whatever reason.

If our Listing is aborted, investors will not receive any Shares and the Selling Shareholders will return in full, without interest, all monies paid in respect of any application for our Shares. If any such monies are not repaid in full within 14 days after the Selling Shareholders become liable to repay it, the provisions of subsections 243(2) and 243(6) of the CMSA shall apply accordingly.

5.3.7 Because the Retail Price and the Institutional Price are higher than our NA value per Share, purchasers of our Shares will experience immediate and substantial dilution and purchasers of our Shares may experience further dilution if we issue additional Shares in the future

The Retail Price is higher than our NA value per Share prior to our IPO. Therefore, purchasers of our Shares will experience an immediate dilution in NA value of RM2.10 per Share, assuming that the Retail Price of RM2.50 per Share is equivalent to the Final Retail Price and the Institutional Price, and our existing shareholders will also experience a decrease in the NA value per Share. If we issue additional Shares in the future, you may experience further dilution.

5.3.8 Future fundraising may dilute shareholders' equity or restrict our operations

We may require additional funding for our future growth. This may result in dilution of our shareholders' equity, or restrictions imposed by additional debt funding such as maintenance of a certain level of current ratio, gearing ratio and/or dividend payouts, amongst others.

Our capital requirements are dependent on, amongst others, our business, the availability of our resources for attracting, maintaining and enlarging our customer base and the need to maintain and expand our production facilities. Thus, we may need additional capital expenditure for mergers and acquisitions or investments. An issue of Shares or other securities to raise funds will dilute shareholders' equity interest and may, in the case of a rights issue, require additional investments by shareholders.

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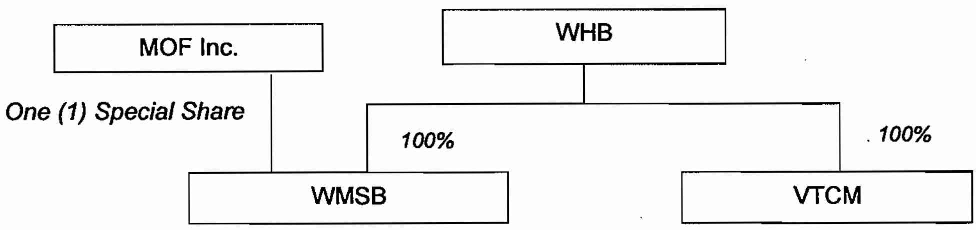
6. INFORMATION ON OUR GROUP

6.1 History and background of our Group

Our Company was incorporated in Malaysia under the Act as a private company limited by shares on 27 April 1993 under the name of Steadfast Equity Sdn Bhd and on 1 August 1994, our Company changed its name to Klang Multi Terminal Holdings Sdn Bhd. Our Company then changed its name to Westport Holdings Sdn Bhd on 4 January 1995 and subsequently assumed the name of Westports Holdings Sdn Bhd on 14 November 2007. We commenced our business on 1 August 1994 and converted from a private company limited by shares to a public company limited by shares on 26 April 2013.

We are principally involved in investment holding and the provision of management services to our subsidiaries, namely, WMSB and VTCM. The principal activity of WMSB is port development and management of port operations whilst VTCM is in the process of being voluntarily wound up.

Our current Group structure is set out below:



6.2 Pre-Listing Exercise

Prior to our IPO, our Company had implemented and completed a Pre-Listing Exercise which comprised the following:

6.2.1 Bonus Issue

We undertook a bonus issue involving the issuance of 183,000,000 Bonus Shares, which were credited as fully paid-up, on the basis of approximately 1.56 Bonus Shares for every one (1) Pre-subdivided WHB Share held by capitalising a total of RM183,000,000 from our audited retained earnings and share premium as at 31 December 2012 of RM149,000,000 and RM34,000,000 respectively.

The Bonus Issue was completed on 29 August 2013.

Upon completion of the Bonus Issue, our issued and paid-up share capital increased from 117,000,000 Pre-subdivided WHB Shares to 300,000,000 Pre-subdivided WHB Shares.

6.2.2 Subdivision of Shares

Upon completion of the Bonus Issue, we undertook a subdivision of one (1) Pre-subdivided WHB Share into ten (10) WHB Shares, which were credited as fully paid-up.

The Subdivision of Shares was completed on 29 August 2013.

In consequence thereof, our authorised share capital of RM500,000,000 comprised 5,000,000,000 WHB Shares whilst our issued and paid-up share capital of RM300,000,000 comprised 3,000,000,000 WHB Shares.

6.2.3 Special Dividend

After the completion of the Bonus Issue and Subdivision of Shares, we had on 29 August 2013 paid a special cash dividend of RM738,000,000 which was funded by the dividend income which we had received from WMSB.

6.2.4 Shares Subscription

In view that we will not be raising any proceeds from our IPO, PRSB and SPIH had on 29 August 2013 subscribed for 246,000,000 new WHB Shares and 164,000,000 new WHB Shares respectively at an issue price of RM1.80 for each WHB Share.

The proceeds arising from the Shares Subscription were applied towards meeting the working capital requirements and general operating purposes of WMSB.

For the avoidance of doubt, these new WHB Shares were not entitled to the Special Dividend.

6.3 Share capital

As at the date of this Prospectus, our authorised share capital is RM500,000,000.00 comprising 5,000,000,000 Shares whilst our issued and paid-up share capital is RM341,000,000.00 comprising 3,410,000,000 Shares.

As at the date of this Prospectus, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital. None of our Shares and shares in our subsidiaries were issued and allotted at a discount or have any special terms or instalment payment terms. Our issued Shares and issued shares in our subsidiaries are fully paid-up.

Details of the changes to our issued and paid-up share capital since the date of our incorporation up to the date of this Prospectus are as follows:

Date of allotment	No. of shares	Par value	Consideration (Cash or otherwise)	Cumulative issued and paid-up share capital
		RM		RM
27 April 1993	2	1.00	Cash	2.00
23 September 1994	89,999, 998	1.00	Cash	90,000,000.00
23 September 1994	10,000,000	1.00	Cash	100,000,000.00
21 December 2000	17,000,000	1.00	Otherwise than cash(1)	117,000,000.00
29 August 2013	183,000,000	1.00	Otherwise than cash(2)	300,000,000.00
29 August 2013	410,000,000	0.10(3)	Cash(4)	341,000,000.00

Notes:

(1) In relation to the conversion of 51,000,000 units of ICULS in accordance with the deed poll dated 9 September 1996, the supplemental deed poll dated 29 June 1999, the second supplemental deed poll dated 15 April 2000, and the third supplemental deed poll dated 23 October 2000.

(2) In conjunction with the Bonus Issue.

(3) In conjunction with the Subdivision of Shares.

(4) In conjunction with the Shares Subscription.

6.4 Our subsidiaries

The details of our subsidiaries as at the date of this Prospectus are set out below:

6.4.1 WMSB (Company No.: 192725-V)

(i) History and business

WMSB was incorporated in Malaysia under the Act as a private limited company under the name of Kelang Multi Terminal Sdn Bhd on 24 January 1990 and assumed its present name on 29 December 2006.

The principal activity of WMSB is port development and management of port operations. WMSB commenced its business on 1 September 1994.

(ii) Share capital

The authorised share capital of WMSB is RM1,000,000,001.00 comprising 1,000,000,000 ordinary shares of RM1.00 each and one (1) Special Share, of which 893,000,000 ordinary shares of RM1.00 each and one (1) Special Share are issued and fully paid-up.

Details of the changes to the issued and paid-up ordinary share capital of WMSB for the past three (3) years preceding the date of this Prospectus are as follows:

Date of allotment	No. of shares	Par value	Consideration	Cumulative issued and paid-up ordinary share capital
		RM		RM
29 August 2013	493,000,000	1.00	Cash	893,000,000.00

(iii) Shareholders

As at the date of this Prospectus, WMSB is our subsidiary. The Special Share is held by the MOF Inc. on behalf of the GOM. For further details on the Special Share, please refer to Section 6.5 of this Prospectus.

(iv) Subsidiary and associated company

As at the date of this Prospectus, WMSB does not have any subsidiary or associated company.

6.4.2 VTCM (Company No.: 374058-H)

(i) History and business

VTCM was incorporated in Malaysia under the Act as a private limited company under the name of Pleasant Matrix Sdn Bhd on 16 January 1996 and changed its name to Vehicle Terminal Centre (Malaysia) Sdn Bhd on 28 March 1996. VTCM assumed its present name on 11 June 1996.

The principal activity of VTCM is providing storage and transhipment of imported and exported vehicles. It commenced business on 10 September 1996. VTCM has ceased operations in year 2009 and has been dormant since then. VTCM is in the process of being voluntarily wound up.

(ii) Share capital

The authorised share capital of VTCM is RM10,000,000.00 comprising 10,000,000 ordinary shares of RM1.00 each, of which 7,500,000 ordinary shares of RM1.00 each are issued and fully paid-up.

There has been no change to the issued and paid-up share capital of VTCM for the past three (3) years preceding the date of this Prospectus.

(iii) Shareholder

As at the date of this Prospectus, VTCM is our wholly-owned subsidiary.

(iv) Subsidiary and associated company

As at the date of this Prospectus, VTCM does not have any subsidiary or associated company.

6.5 Special Share held by the MOF Inc.

The terms of the Special Share per the Articles of Association of WMSB are as follows:

(i) the Special Share may be held only by or transferred only to the MOF Inc. or its successors or any Minister, representative or any person acting on behalf of the GOM;

(ii) the Special Shareholder shall be entitled to nominate one (1) director to be on the board of directors of WMSB;

(iii) the Special Shareholder or any person acting on behalf of the Special Shareholder shall be entitled to receive notice of and to attend and speak at all general meetings or any other meeting of any class of shareholders of WMSB, but the Special Share shall carry no right to vote nor any other rights at any such meeting;

(iv) in a distribution of capital in a winding up of WMSB, the Special Shareholder shall be entitled to repayment of capital paid-up on the Special Share in priority to any repayment of capital to any other shareholder. The Special Share shall confer no other right to participate in the capital or profits of WMSB;

(v) the Special Shareholder may be subject to the provisions of the Act, require WMSB to redeem the Special Share at par at any time by serving written notice upon WMSB and delivering the relevant share certificate; and

(vi) each of the following matters shall be deemed to be a variation of the rights attaching to the Special Share and shall accordingly only be effective with the consent in writing of the Special Shareholder:

(a) the amendment, or removal, or alteration of the definitions of "Special Share" and "Special Shareholder" as contained in the Articles of Association of WMSB;

(b) a proposal for the voluntary winding-up or dissolution of WMSB;

(c) issuance of any new ordinary shares of WMSB (when aggregated with all other existing issued shares of WMSB, carry the rights to cast on a poll more than 10% of the right to vote of all members at a general meeting of WMSB);

(d) any substantial disposal of assets by WMSB which alone or when aggregated with any other disposal or disposals forming part of, or connected with the same or a connected transaction, constitutes a disposal of the whole or a material part of the assets of WMSB; and

(e) any proposals affecting the interests of the GOM or the national interest.

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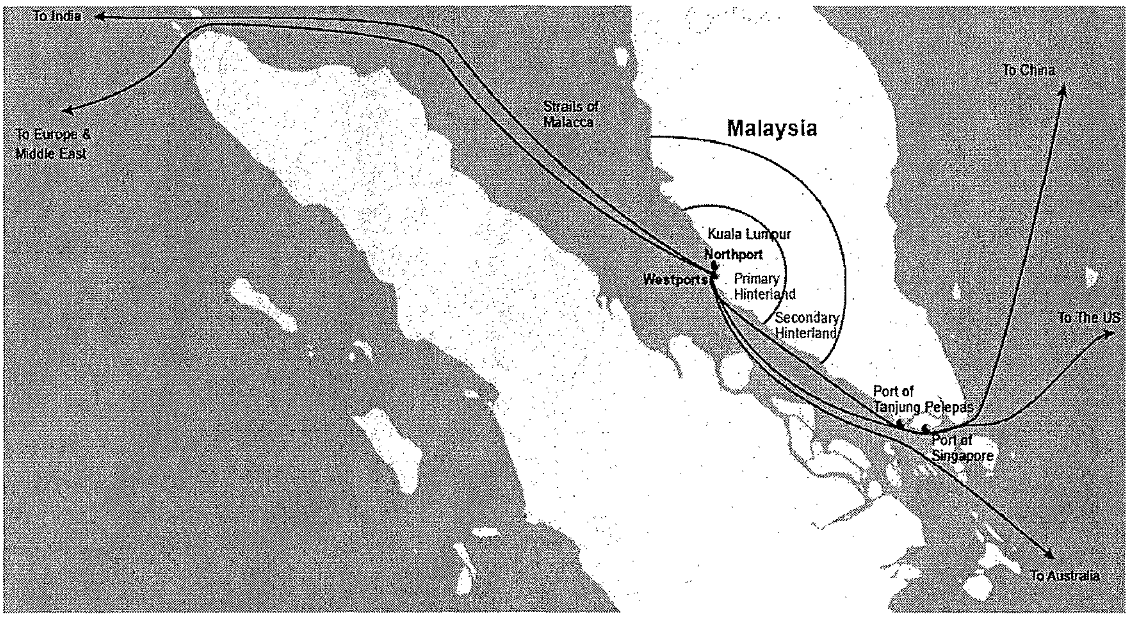
7. BUSINESS OVERVIEW

7.1 Overview

We are the operator of Westports. We handle container and conventional cargo, and also provide a wide range of port services, including marine services, rental services and other ancillary services.

In the Straits of Malacca, the main ports which handle Import/Export and/or transhipment container cargo and compete with Westports are namely Northport, Port of Tanjung Pelepas and Port of Singapore. All these ports are located in close proximity to the main shipping route along the Straits of Malacca. Other than Northport, these ports have natural deep water berths which allow them to accommodate large vessels. The southern approach into Port Klang where Westports is located, has a channel of at least 17 metres, which is deeper than the northern approach where Northport is located, which is only 12 metres deep. According to Drewry Maritime Advisors, the deviation of Port Klang, Port of Tanjung Pelepas and Port of Singapore from the main shipping route along the Straits of Malacca is approximately 12, 15 and nine (9) nautical miles, respectively. The lower the deviation, the more suitable a port's location is to operate as a transhipment hub.

The location of Westports and its competitors along the Straits of Malacca can be seen below:



As shown above, there are two (2) port operators in Port Klang, namely WMSB and the operator for Northport and by virtue of their location, WMSB and the operator for Northport also provide container services for Import/Export and conventional cargo from the central Peninsular Malaysia hinterland.

Our container business has grown rapidly in the last decade, from handling approximately 2.0 million TEUs in 2002 to approximately 6.9 million TEUs in 2012, representing a CAGR of 13.2%, compared with a CAGR of 8.3% in global gross container throughput over the same period, according to Drewry Maritime Advisors. For the six (6) months ended 30 June 2013, we handled 3.6 million TEUs of container cargo.

Since we began operations in 1996, we have grown our market share to 69% of container traffic and 79% of the transhipment traffic in Port Klang in 2012 and 33% of container traffic in Malaysia in 2012, according to Drewry Maritime Advisors, with transhipment of containers comprising a majority of our traffic. Apart from our strategic position at the south of Port Klang and the natural deep water channel that we benefit from which makes us attractive to MLOs sailing large container ships, with our deep natural harbour and container berths in a contiguous straight line, we can flexibly berth and handle containers for the largest vessels in the world with capacities of up to 18,000 TEUs. The growth in our market share is also enabled by our relative operating efficiency and reliability as our container terminals routinely exceed 35 Moves Per Hour per crane for large vessels (vessels over 300 metres in length). Further, we offer established global and regional connectivity to more than 350 ports around the world with approximately 75 main line services calling at our port, complemented by approximately 65 feeder services, all of which are independently operated by 48 lines.

Our port facilities include a total of 25 berths with an aggregate length of approximately 6,642 metres, of which 18 berths are contiguously connected in a straight line extending to approximately 4,800 metres. The straight line arrangement of the berths allows for greater flexibility in berthing vessels, thus resulting in higher berth utilisation. It also allows for the ability to handle large vessels (vessels over 300 metres in length). We are expanding our facilities further with an additional container terminal CT7. We have also commenced land reclamation and development work for two (2) additional container terminals, CT8 and CT9, respectively.

With the completion of construction and commencement of operations in all areas of CT6 in March 2013, we currently have a handling capacity of approximately 9.5 million TEUs per annum, which is expected to increase to approximately 11.0 million TEUs per annum in 2015 once CT7 is fully operational. We also have the potential to increase our handling capacity to approximately 16.0 million TEUs per annum upon the completion of CT8 and CT9. Our conventional terminals handled approximately 10.2 million tonnes and 5.3 million tonnes of bulk cargo in 2012 and the six (6) months ended 30 June 2013, respectively (excluding RORO cargo).

For the years ended 31 December 2010, 2011 and 2012, we generated total operational revenue (total revenue excluding Construction revenue) of RM975.0 million, RM1,115.3 million and RM1,226.2 million, respectively, and PAT of RM284.9 million, RM316.5 million and RM361.0 million, respectively. For the six (6) months ended 30 June 2012 and 2013, we generated total operational revenue of RM600.5 million and RM642.8 million, respectively, and PAT of RM161.9 million and RM198.4 million, respectively.

7.2 Competitive strengths

We believe that we are well positioned to maintain both our position as one of the largest and most efficient Import/Export ports into Peninsular Malaysia and our industry-leading operational excellence, as well as increase our market share as a key container transhipment hub in the strategically important Straits of Malacca principally as a result of the following competitive strengths:

7.2.1 Strategically located to handle both transhipment traffic in the Straits of Malacca serving Asia-Europe and intra-Asia shipping lanes, as well as Import/Export traffic for Peninsular Malaysia

We are located at Port Klang approximately 12 nautical miles from the Straits of Malacca shipping trade lane, with a sailing time of approximately an hour from the main shipping lane to our pilot station.

According to Drewry Maritime Advisors, at least 50,000 vessels sail through the Straits of Malacca annually. There are more than 800 container shipping services calling at major ports in the Straits of Malacca, with approximately a quarter of these services, by total ship capacity, calling at Port Klang. Port Klang's strategic location along the Asia-Europe and intra-Asia shipping lanes within the Straits of Malacca positions it well as a key transhipment hub in this region. Primarily as a result of an increase in transhipment volumes at Port Klang (which accounted for 63.0% of total container throughput in 2012 versus 52.7% in 2005), Port Klang has grown to become the 12th busiest port globally in terms of volume of containers handled and second in Southeast Asia behind the Port of Singapore in 2012, according to Drewry Maritime Advisors.

Southeast Asia is the third busiest region in the world by container activity with 87.2 million TEUs handled in 2012, after the Far East (243.6 million TEUs) and Western Europe (94.7 million TEUs), according to Drewry Maritime Advisors. Total container throughput in Southeast Asia has been growing at a CAGR of 7.7% from 2002 to 2012, and Drewry Maritime Advisors expects this growth to continue at a CAGR of 5.4% between 2012 to 2015, resulting in Southeast Asia to likely surpass Western Europe in total containers handled by 2015. Historically, container ports in Southeast Asia have demonstrated capacity utilisation of approximately 75% according to Drewry Maritime Advisors, which estimates that with strong growth in the region, capacity utilisation is expected to be well above 85%, reflecting a positive demand-supply dynamic for container port operators.

We believe we are well positioned to continue supporting the growth of transhipment activities at Port Klang, given Port Klang's strategic location, our industry-leading handling productivity, our natural deep water berths and our expansion plans to increase handling capacity. We have steadily enlarged our share of the transhipment market in the Straits of Malacca, growing from virtually zero in 1996 to approximately 12% in 2012, according to Drewry Maritime Advisors.

Besides handling transhipment traffic from the region, including Bangladesh, India, Indonesia, Malaysia (East Malaysia, Penang, Johor), Myanmar, Singapore, Thailand and Vietnam, Port Klang is the gateway for Import/Export cargo for our immediate hinterland of the Klang Valley (including Kuala Lumpur and the state of Selangor) and the central part of Malaysia including the states of Negeri Sembilan and Pahang. This hinterland is estimated to have a population of approximately 10 million (34% of Malaysia's total population) based on July 2010 population figures from the Malaysia Department of Statistics. Klang Valley is the heartland of Malaysia's industry and commerce with hubs of industrial and commercial activity such as Shah Alam, Petaling Jaya, and the PKFZ. Port Klang's location within the Klang Valley ensures a stable and growing flow of Import/Export cargo through the port, providing an attractive base load of demand for shipping lines calling at Port Klang. In 2012, 3.7 million TEUs of Import/Export containers and 17.8 million metric tonnes of conventional Import/Export cargo were handled through Port Klang, according to Drewry Maritime Advisors.

7.2.2 Advantageous geographic attributes

We benefit from a natural deep harbour and a total of 25 berths with an aggregate length of approximately 6,642 metres, of which 18 berths are contiguously connected in a straight line extending to approximately 4,800 metres, providing the maximum usable quay length and flexibility in berthing vessels.

The channel fronting our berths is a protected harbour, naturally sheltered by Pulau Che Mat Zin, which buffers our terminal from strong currents as well as against possible damage from potential tsunamis. This natural shelter eliminates the need to construct costly artificial breakwaters.

The southern approach into Port Klang has a deeper channel (at least 17 metres) than the northern approach, which is only 12 metres deep. Hence, larger ships calling at Port Klang requiring a channel deeper than 12 metres have to enter Port Klang using the southern approach. The PKA has also announced that it is committed to deepening the entrance channel to our port and is in the process of increasing the current depth of the access channel from 17 metres to 18 metres. These larger ships travel a shorter distance from the Straits of Malacca to our terminal and we estimate that it saves approximately an hour each way coming into and departing from our terminals, compared to terminal in the northern part of Port Klang.

Our strategic position at the south of Port Klang and the natural deep water channel make us attractive to MLOs sailing large container ships, which provide us with more opportunities to handle transhipment containers. Additionally, with the completion of CT6, our deepest berth is now able to handle the largest container ship currently in operation.

Immediately adjacent to, and running along the entire length of our container berths is an extensive container yard area covering 137.7 hectares. This area provides ample space for the efficient manoeuvring, storage and retrieval of containers, which is integral to our terminal operations.

Westports enjoys easy and convenient access to PKFZ, an integrated 405 hectare customs-free commercial and industrial zone next to the port where international cargo distribution and consolidation, procurement, export manufacturing and other cargo value added services are undertaken. Besides being customs-free, PKFZ attracts investors through various investment incentives such as tax exemptions and subsidies and incentives for research and development, training and export. Aside from the PKFZ, there is also adequate land surrounding Westports that supports the operations of a well-established ecosystem of shippers, freight forwarders and third-party logistics service providers and affords them room for future growth as well.

7.2.3 Leading market position in Port Klang, with secured long-term concession and strong expansion potential

Our ability to accommodate the largest vessels, coupled with our relative operating efficiency and reliability, have led us to consistently grow our market share within Port Klang to command 79% of the transhipment traffic in Port Klang, and an overall market share of 69% in 2012 for both transhipment and Import/Export volumes, according to Drewry Maritime Advisors.

The concession under the Privatisation Agreement we have entered into may be extended to 2054 (subject to meeting certain conditions as set out in Sections 7.4 and 7.23(i) of this Prospectus), provides us the assurance to make further long-term investments in port infrastructure and enhances customers' confidence in our ability to support their operations and growth.

We also have expansion potential, both in terms of additional yard area and quay length with sufficient berth depth to handle the largest container vessels. We expect to be able to handle containers for the largest vessels in the world with capacities of up to 18,000-TEUs since CT6 became fully operational. The expansion plans for CT7 to CT9 is expected to extend the total quay length for container berths by approximately 1.8 kilometres from 4.0 kilometres to 5.8 kilometres, and more than double our total container area from 137.7 hectares to 307.2 hectares. Our handling capacity is approximately 9.5 million TEUs per annum since CT6 became fully operational in March 2013. Our container handling capacity is expected to further increase to 11.0 million TEUs per annum in 2015 once CT7 is fully operational. We have the potential to increase our capacity to approximately 16.0 million TEUs per annum upon the completion of CT8 and CT9.

This scope for expansion allows us to accommodate the growth in volumes from existing customers as well as attract customers from other ports in the region that are operating near full capacity.

7.2.4 Established global and regional connectivity

We have connections to more than 350 ports around the world, providing customers an efficient global and regional connection point along major trade routes. We are able to provide such connectivity through approximately 75 main line services calling at our port which are complemented by approximately 65 feeder services, all of which are independently operated by 48 lines.

Numerous intermodal connections within Peninsular Malaysia and with neighbouring countries have also contributed to our positioning as a preferred gateway for Import/Export cargo. In particular, we have good connectivity via links to the North-South Expressway, North-South Expressway Central Link, Shah Alam Expressway and South Klang Valley Expressway. The North-South Expressway runs from Bukit Kayu Hitam at the Malaysia-Thai border to the Johor Causeway in the south, covering a distance of 772 kilometres. This expressway along the western side of Peninsular Malaysia together with the New Klang Valley Expressway and the Federal Highway Route 2, play an important role in the distribution of cargo between Port Klang and its hinterland.

We are linked by rail to Port Klang's South Port and to inland container depots such as Ipoh Cargo Terminal in Perak, Nilai Inland Port in Negeri Sembilan, Padang Besar (at the Malaysia-Thailand border) and Segamat Inland Port in Johor. In addition, a 4.4-kilometre link from Northport to Westports has reduced travel time between the two (2) ports. We are also linked to Malayan Railway's rail network, with direct connections to Penang and Bangkok to the north and Singapore to the south.

Port Klang is located approximately 75 kilometers away from Kuala Lumpur International Airport, which is Malaysia's main international airport and a major airport in Southeast Asia.

7.2.5 Strong track record of operational excellence and financial profitability

We have a strong track record of operational excellence and financial profitability. Our container throughput has consistently grown in all years since inception, except for 2009 when it fell by 10%, in line with an overall drop in global container throughput due to the global financial crisis. Supported by an increasingly diversified customer base across a spectrum of cargo types handled, we have been growing our operational revenues by an average CAGR of 11.0% between 2003 and 2012 and have been profitable since inception (with the exception of 1998, due to the Asian financial crisis).

In terms of quay crane operations, we seek to maintain a high level of productivity for our cranes and routinely exceed 35 Moves Per Hour per crane for larger vessels.

We have received numerous accolades and awards for operational excellence including, most recently, the Brand Laureate Award for logistics by Asia Pacific Brands Foundation in January 2012, the Platinum Award for Technology and ICT, Platinum Award for Community, Silver Award for Environment, Gold Award for Best Employer and the Best-in-class achievement for Productivity, Customer Service, Terminal Practices and Container International Award under the STAR Outstanding Business Awards in November 2011, and the Corporate Social Responsibility of the Year award at the Containerisation International Awards in 2011.

Our all-weather capabilities allow us to provide the full range of port services round the clock all year-round, with minimal costs, delays and damages. Our range of services includes conventional, container and container value-added services.

Our consistent performance, both operationally and financially, is enabled by:

(i) our leading infrastructure

We continually invest in our infrastructure to improve work flow and productivity. We believe we utilise some of the most advanced equipment, such as twin-lift quay cranes with up to 24-row outreach, which is amongst the longest outreach for ship-to-shore gantry cranes currently available.

(ii) advanced IT

We believe we are equipped with advanced IT solutions to improve our productivity, operational efficiency and capacity, as well as maintain a high level of safety and security, and enhance customer service.

Our container terminal operations system, COSMOS, used by leading ports around the world, is a customisable system that expedites and automates the day-to-day management and operation of container terminals. We use it for the entire scope of terminal operations, tightly coupling berth, ship, yard and rail planning with quay, yard, rail and gate operations. This integration of planning and real-time operations monitoring enables us to optimise equipment utilisation and resource allocation and maximise productivity and throughput capacity.

We also utilise our NGCCS to fully computerise all non-containerised cargo activities, from wharf operation to billing.

We also support comprehensive EDI which enables fast exchange of information between us and our customers to facilitate paperless documentation for shipping agents, freight forwarders and hauliers. In addition, our comprehensive and interactive customer portal developed in-house, e-Terminal Plus, enables our customers and other users of Westports to obtain real-time information at their convenience and also easily exchange information with us. The integration of e-Terminal Plus with our container terminal operations system and the Customs' system has streamlined and automated many work processes, creating a simplified and paperless environment, minimising waiting times and the need for agents to be physically present at our terminal. For example, we launched e-Gate Pass in 2012, whereby port users can print the gate pass at their offices without the need to come to the port to collect it from our documentation centre. This saves travelling time and costs for our port users.

We have also implemented an e-bidding, e-procurement and e-billing system to facilitate our business transactions. We won the Gold Award for IT as the most efficient e-terminal port chosen among 50 ports worldwide by the IAPH in May 2007.

(iii) efficient, customer-focused operational processes with the flexibility to cater to special requirements

We believe that through our integrated planning and investment approach whereby we pro-actively manage our capacity growth and utilisation, we have been able to minimise operational bottlenecks and supply chain inefficiencies, and achieve efficient operational processes. This allows us to offer our customers berthing on arrival or short waiting time to berth, fast loading or unloading, and short port stay time for vessels. We also have the flexibility and capacity to cater to special requests from our customers. For example, we have, on many occasions, allocated additional handling resources to accelerate loading or unloading for vessels that were behind schedule, which in turn assisted the vessels to meet their schedule at their next port of call. We are also able to support 'hot connections', i.e. the transferring of containers directly between vessels with short overlaps in their berthing times, to avoid delaying the departing vessel or containers missing their connecting vessel.

(iv) best-in-class workforce

We believe we have one of the best workforces in the industry with positive employee relations and strong employee loyalty. The average length of employment of our existing workforce is approximately six (6) years, with approximately 26% of our employees having been with us for over 11 years. We have a stable workforce which is not organised under any recognised unions and almost all of our employees are local. We are also able to provide our employees with long-term career prospects within our Group and job rotation opportunities to develop multiple skills. We believe our productivity-driven reward structure motivates our employees to reach our competitive productivity standards. We were awarded the Gold Award for Best Employer under the Star Outstanding Business Awards in November 2011.

7.2.6 Long-term relationships with customers and other stakeholders, and differentiated quality service ensuring customer satisfaction and loyalty

We have established a strong and well-recognised reputation for being "Proven, Trusted, Friendly" due to our reliable track record in delivering quality service to container shipping lines in the Straits of Malacca. We have good long-standing relationships with our customers and regard them as long-term business partners. Our ability to offer shipping lines berthing on arrival or short waiting time to berth, and fast loading or unloading allows them to better manage their vessel schedules and minimise costs. Our partnership approach has been demonstrated on many occasions, for example, through our willingness to deploy additional resources to accelerate the unloading or loading and minimise the time at berth for ships that are behind schedule to enable them to catch up on their schedules and save costs.

We serve more than 30 main shipping lines, with blue-chip anchor customers like the CMA CGM Group, China Shipping Line Limited, United Arab Shipping Corporation and Gold Star Line Limited, among other shipping lines. Our hub clients include what we believe to be among some of the fastest growing lines in the world and they have been our customers for more than ten (10) years. Our top two (2) customers, CMA CGM Group and China Shipping Line Limited, have grown together with us over the years, with the former becoming one (1) of the three (3) largest shipping lines globally and the latter becoming one of the leading shipping lines in China, according to Drewry Maritime Advisors.

We also offer shippers and logistics service providers fast gate clearance and streamlined processes with e-documentation, which result in shorter end-to-end cycle times for cargo movements compared to other ports in Port Klang. We believe this allows them to optimise the utilisation of their vehicles and personnel, hence scheduling more trips into a single day.

We believe that our ability to offer one-stop services through our electronic customer portal, e-Terminal Plus, high productivity, shorter turnaround times and consistent reliability to our customers helps ensure customer satisfaction and loyalty. Our differentiated, quality service offerings and competitive pricing relative to regional competitors have enabled us to attract and retain customers over the years.

Security and safety is a top priority at our port and extensive measures are taken to secure the port and cargoes, and provide protection for our customers, employees and other third parties.

We also have positive relationships with our stakeholders, and engage in extensive corporate social responsibility activities that support community development in the surrounding local area. Our ongoing projects include programmes to eliminate poverty, reduce crime and improve English language skills in the community living in Pulau Indah, where we are located.

We also believe we have strong government support, affirmed by the GOM and PKA's agreement to extend our concession period for another 30 years to 2054 (subject to meeting certain conditions as set out in Sections 7.4 and 7.23(i) of this Prospectus), after the initial 30-year concession expires in 2024.

7.2.7 Experienced management team with proven track record, backed by reputable shareholders

We are led by our Non-Independent Executive Chairman, Tan Sri Datuk Gnanalingam a/l Gunanath Lingam since we signed the Privatisation Agreement in 1994. He is also a director and shareholder of PRSB, a major shareholder of WHB. Under his stewardship, we have become one of the preferred ports of call for several major shipping lines. We have a highly experienced management team that has served our Group for an average of 11 years. With a large pool of home grown talent, our management team is well tuned to the domestic, regional and global dynamics of the industry.

Our management team has a proven execution track record in project management, infrastructure development and phased expansion, and we have consistently been on target or ahead of schedule for all our expansion projects. For example, CT6 was completed ten (10) months ahead of schedule.

Representatives of our major shareholders on our Board bring an invaluable set of expertise and relationships to guide our long-term strategic growth. HPH is a leading global port operator with strong relationships with shipping lines globally and has deep commercial, technical and operational expertise in managing container terminals, providing us the opportunities to enhance our network of shipping line customers and to learn the best practices from their network of ports around the world.

7.3 Strategies and future plans

We aspire to maintain our leadership in Port Klang and grow our market share in the Straits of Malacca. We are executing the following strategies to continue our growth and increase revenue, profitability and returns to our shareholders.

7.3.1 Increase throughput to our port

(i) Capitalise on continued growth in container traffic through the Straits of Malacca

We will expand our container handling capacity to meet the growth in Southeast Asia container traffic which is considered as one of the fastest growing regions in the world. Our handling capacity is expected to increase from approximately 9.5 million TEUs to approximately 11.0 million TEUs upon the expected completion of CT7 in 2015. We believe this increase in handling capacity will further enhance our competitive edge against other regional ports and we will be able to benefit from the fast growing demand for container handling services in this region.

(ii) Attract transhipment activities of key shipping line customers and grow the regional feeder network to further improve connectivity and drive growth in transhipment volumes

We maintain frequent and close dialogue with key shipping line customers to keep ourselves abreast of the latest developments within the shipping industry. This close rapport gives us an earlier and better reading of potential changes in the shipping industry and enables us to react faster in improving our service offerings to meet shipping lines' evolving requirements.

As a supply-driven port, we continue to enhance our operational efficiency through consistent investments in new terminals, equipment and employee productivity. With our ongoing terminal expansion, designed to handle the largest vessels in the world with capacities of up to 18,000 TEUs coupled with our high productivity in loading and discharge of containers, we intend to continue delivering reliable and fast turnaround of vessels, thereby maintaining our attractiveness for key shipping line customers to undertake more transhipment activities at our terminal.

As one of the leading hub ports in Southeast Asia, we have developed an extensive feeder network with the connectivity to serve the demands of our MLO customers. To further enhance our feeder connectivity, we have a dedicated team analysing our MLO customers' feeder network requirements. Based on the information gathered from our customers, we provide feedback to the feeder operators and also facilitate dialogues between our customers and feeder operators to evaluate the feasibility of launching additional feeder services. To facilitate the launch of new feeder services to penetrate new sectors or increase our market share of targeted sectors, we may consider offering more attractive terms to feeder operators during the start-up period. We believe that with the growth and increasing connectivity of our feeder network, we will be able to attract additional transhipment cargo through our terminal.

(iii) Strengthen our position as the preferred gateway of Malaysia

We seek to streamline customs processes to shorten processing time for Import/Export cargo. We are establishing a centralised inspection centre which will allow Customs and other GOM agencies to conduct inspection activities in one (1) location on both dry van and reefer cargoes.

We also regularly liaise with our shippers, third party logistics service providers, freight forwarders, Customs and other GOM agencies to further streamline our business processes through introducing new features to our port community portal, e-Terminal Plus, to better serve our customers, reduce their cost of doing business and improve our competitiveness. For example, we introduced e-ISP, a module which allows Customs and other GOM agencies to pre-notify us the containers required for inspection, so that the containers can be appropriately positioned, cutting down the cycle time for the customs request, positioning and clearance of the containers to be taken out of the port by the importer.

With the aim of providing a one-stop solution for the clearance of cargo for both importers and exporters, our Business Centre houses the operations of teams from seven (7) government agencies including Customs, Immigration, Health, Marine Department, MAQIS, Puspakom and SIRIM, enabling our customers and port users to procure the necessary clearances for their cargo and personnel at our port.

We are working with the local authorities to improve transportation links to the Klang Valley and the rest of Peninsular Malaysia. We are currently in negotiations with the relevant authorities to approve additional funding to expand the access road to Pulau Indah from the current two (2) lanes to three (3) lanes in each direction. We have also requested for an additional motorcycle lane and are exploring the possibility of establishing a second link between Pulau Indah and the mainland. Once completed, the improvements are expected to reduce the time taken to transport cargo to and from the port.

In addition, the final phase of the South Klang Valley Expressway, which is currently under construction and expected to be ready by 2014, will provide additional access and reduce transportation time for cargo to and from South Klang Valley.

We also plan to build a second gate complex which, when completed in the first quarter of 2014, will double the existing 14 lanes currently in operation to 28 lanes. This increase in lanes will further speed up gate clearance, enabling fast and seamless movement of cargo in and out of our port.

(iv) Enhance overall customer value proposition and customer satisfaction to promote customer loyalty

We maintain close communication with our key hub customers to ensure that our terminal expansion plan is in line with their growth strategies and can support their growth in the region. For example, we plan the construction of our new terminals in line with our hub customers' expected future throughput, delivery of new vessels, sizes of vessels and cargo type. We believe this proactive approach towards client management has allowed us to maintain long-term relationships with these customers.

We also work with the PKA to ensure that our port tariffs remain competitive and attractive relative to our competitors within the region, including Port of Singapore. We believe our relatively lower port tariffs provide us with an advantage in attracting more shipping lines to include us in their port service rotation. With competitive tariffs, fast turnaround of vessels, modern terminal infrastructure, natural deep water, steady cargo volumes from our hinterland, and a wide range of value-added services, we believe we are able to provide a strong value proposition to our customers and promote their continued loyalty in using us as their port of choice.

We will continue to work closely with customers to expand our offering of container value-added services such as storage services, reefer services, container freight services, special services, removal services and other value-added services. We seek to be able to cater to the current and future needs of our customers in a cost-effective manner and assist our customers in managing their overall costs.

(v) Anchor distribution hub activities of shippers globally within or near Westports to increase cargo flow

To draw more cargo to our port, we are also working with shippers to establish distribution hubs in the vicinity of our ports to take advantage of our connectivity and price-competitiveness to distribute their products into the region. As at the LPD, the LME and Noble Cotton are using our port as the regional distribution centre for metal and cotton. Currently, approximately 25,488 Sq m of warehouse space is being used by Noble Cotton and approximately 37,212 Sq m of warehouse space is being used by LME.

We are currently working towards attracting customers from the Middle East, Australia, Europe and other key areas to take advantage of the close proximity of our port to the 405 hectares PKFZ Flagship Halal Zone (within PKFZ) on Pulau Indah and 405 hectares Selangor Halal Hub on Pulau Indah (both accredited Halal Parks certified to handle and produce Halal products), and use our port as the gateway for Halal products for consumption within Malaysia as well as distribution into the region.

We are also working with Port of Marseille in Northern Europe to establish ourselves as the hub for procurement and consolidation of halal products from Southeast Asia, to be shipped to Marseille for marketing and distribution into Europe and North Africa.

7.3.2 Increase capacity and improve operational efficiency, financial profitability and long-term sustainability of business

(i) Make timely investments in new infrastructure, equipment and technologies to increase throughput capacity, improve productivity and cost efficiencies, and enhance our capability to handle increasing vessel sizes

We intend to continue to make investments to grow our throughput capacity in line with or ahead of the growth of cargo volumes from our shipping line customers. We will seek to time the investments to avoid potential congestion in the port and provide our customers the handling capacity that allows them to plan ahead the increase in the size of vessels and frequency of calls at our port. We plan to continue to invest in the infrastructure (e.g. new deeper berths), equipment and technologies to optimise our quay and yard operations, and handle the largest ships. As at the LPD, we have plans to invest a total of RM828 million in capital expenditure to develop CT7 by 2015.

(ii) Focus on optimising operating efficiency and employee productivity to ensure sustainable and profitable growth

We intend to continue to optimise our operational efficiency by increasing the productivity at our terminal and lowering operating costs.

We hold conferences regularly with our shipping line customers to discuss improvements in planning, work processes and procedures to improve our handling productivity. We also have a culture of requiring all of our teams to periodically review their standard operating procedures and question underlying assumptions, to ensure that our work policies and procedures are consistently re-examined to seek out opportunities for further improvement and areas for cost minimisation. Port improvement opportunities identified are reviewed by a task force and appropriate resources are allocated to ensure that projects approved are implemented expeditiously.

We intend to employ more electricity-powered equipment to minimise our energy costs and reduce our carbon footprint. We plan to use hybrid RTGs (which is fuel and electricity-powered) and/or variable speed RTGs for our new container terminals. These hybrid RTGs and variable speed RTGs are expected to save fuel and other operating costs. We may also consider converting our existing fuel-based RTG to hybrid RTGs or variable speed RTGs in a progressive manner.

(iii) Achieve a more flexible cost structure through selective outsourcing

We plan to reduce the proportion of fixed overhead costs in our cost structure through partial outsourcing of selected operations. For example, we intend to increase the number of outsourced prime movers operating within our container terminal over time. By leveraging on subcontractors, we intend to achieve a more flexible cost structure that better aligns our costs with revenue.

(iv) Continue to invest in training and succession planning, and offer excellent career development opportunities to our staff to be the employer of choice in the port industry

We strongly believe in developing human capital and nurturing talent among our employees. We have established a dedicated team within our human resources department to ensure all employees within our company are provided with the requisite training to carry out their tasks efficiently. We endeavour to provide regular in-house and external training to ensure all our employees' skills are kept up-to-date with the latest industry practices and procedures.

We encourage our employees to participate in our job rotation programme within our Group and provide our staff with the required exposure in understanding multiple aspects of the port and shipping business.

We maintain and continue to grow a pool of young and talented executives and managers who are trained to multi-task in managing and handling various aspects of the day-to-day operations of the port. We believe this training will nurture these young executives to be future leaders of our Group to operate, manage and grow our business.

We proactively manage succession planning within our organisation to ensure the long-term sustainability of our business as well as provide our employees a clear and visible path for career progression within the organisation. This is intended to motivate employees to adopt a long-term view on their career prospects within our Group and achieve close alignment between our employees' personal goals and our business objectives. We believe that our success and growth is also tied to our employee's personal success and growth.

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7.4 History and key milestones

Our Company was incorporated in Malaysia under the Act as a private company limited by shares on 27 April 1993 under the name of Steadfast Equity Sdn Bhd and is principally involved in investment holding and the provision of management services to our subsidiaries, namely, WMSB and VTCM. On 1 August 1994, our Company changed its name to Klang Multi Terminal Holdings Sdn Bhd. Our Company then changed its name to Westport Holdings Sdn Bhd on 4 January 1995 and subsequently assumed the name of Westports Holdings Sdn Bhd on 14 November 2007. We commenced our business on 1 August 1994 and converted from a private company limited by shares to a public company limited by shares on 26 April 2013.

WMSB was incorporated on 24 January 1990 under the Act under the name of Kelang Multi Terminal Sdn Bhd as a private limited company and its principal activity is port development and management of port operations. WMSB changed its name to Westports Malaysia Sdn Bhd on 29 December 2006. Under the terms of the Privatisation Agreement, WMSB attained the right to develop and operate Westports for a period of 30 years until 31 August 2024. The GOM and PKA have agreed to extend this period by another 30 years to 31 August 2054, subject to the fulfilment of the following conditions:

(i) the completion of the reclamation of the land and incidental works for CT6 to CT9 on or before 1 January 2014; and

(ii) the completion of construction works for CT6 to be fully operational on or before 1 January 2014.

In March 2013, the construction works for CT6 were completed and CT6 commenced full operations. In September 2012, land reclamation and incidental works for CT7 was completed. Furthermore, as at the LPD, approximately 91% of the land reclamation and incidental works for CT8 and CT9 have been completed and such works are expected to be fully completed by 31 December 2013.

Our key milestones, achievements, awards and recognitions include the following:

Year	Key milestones / achievements / awards / recognitions
1994	PKA handed over the port to WMSB, pursuant to the privatisation programme implemented by the GOM
1996	Commenced containership operations with one (1) container terminal
1997	Completion of CT2, increasing our capacity to 3.0 million TEUs
1998	Awarded the "*Top Ten (10) Container Ports*" award at the Asian Freight Industry Awards
1999	Awarded the "*Best Emerging Terminal*" award by Lloyd's List Maritime Asia
2000	Awarded the "*FIABCI Award – Best Public Sector Development*" by Federation Internationale des Administrateurs de Bien-Conseils Immobiliers
2001	Completion of CT3, increasing our capacity to 4.5 million TEUs
2002	Awarded the "*Super Brand Award*" award by the Malaysian Superbrands Council
2003	Awarded the "*National Landscape Award*" award by the Ministry of Housing and Local Government
2004	Awarded the "*Best Employer Award*" award by Ministry of Human Resources
2005	Completion of CT4, increasing our capacity to 6.0 million TEUs
2006	Awarded the "*Technology Business Review Award*" for excellence in Logistics – Port services by BrandLaureate
2007	Awarded the "*Gold Award for IT*" as the most efficient e-terminal port chosen among 50 ports worldwide and "*Silver Award for Safety*" by IAPH Awarded the "*Human Resource Development Award*" by the Human Resources Minister

Year	Key milestones / achievements / awards / recognitions
	Awarded the "*Excellence in Logistics*" award at the Technology Business Review Association of Southeast Asian Nations Awards
	Awarded the "*BrandLaureate Award*" for "*Best Brands Award – Ports/Terminals*" by the Asia Pacific Brands Foundation
2008	Completion of CT5, increasing our capacity to 7.5 million TEUs
2009	Awarded the "*BrandLaureate Award*" for "*Best Brands in Logistics – Ports*" by the Asia Pacific Brands Foundation
2010	Signed a supplemental agreement to extend the concession to 2054 subject to fulfilment of certain conditions
	Awarded the "*BrandLaureate Award*" by the Asia Pacific Brands Foundation and "*Asia HRD Congress Award*" by the Asia HRD Congress
2011	Awarded the "*Platinum Award for Technology and ICT*", "*Platinum Award for Community*", "*Silver Award for Environment*", "*Gold Award for Best Employer*" and the "*Best-in-class achievement for Productivity, Customer Service, Terminal Practices and Container International Award*" at the Star Outstanding Business Awards
	Awarded the "*Corporate Social Responsibility of the Year*" award at the Containerisation International Awards
	Achieved 734 Moves Per Hour with a nine-crane deployment in March 2011
2012	Awarded the "*BrandLaureate Award*" for "*Top 10 Master's Award in Logistics*" by Asia Pacific Brands Foundation
	Awarded the "*Corporate Social Responsibility Award*" at the Asia Pacific Young Business Conference
	Achieved a total of 50 million TEUs handled (since commencement of operations)
	Received the then largest containership at Westports in November 2012 (CMA CGM Marco Polo which has a capacity of approximately 16,000 TEUs, according to the CMA CGM website)
2013	Completion of CT6 in March 2013, increasing our capacity to 9.5 million TEUs

7.5 Port location

Westports is situated on 535.47 hectares of land strategically fronting the Straits of Malacca at the port location of Pulau Indah, Port Klang on the west coast of Peninsular Malaysia, the main gateway by sea into Peninsular Malaysia. The Straits of Malacca is a key shipping waterway used by ships plying the Asia-Europe and intra-Asian shipping routes. At least 50,000 vessels sail through the Straits of Malacca annually, carrying an estimated 30% of global goods shipped, according to Drewry Maritime Advisors. Port Klang is a key transhipment port and has grown to become the 12th busiest port globally in 2012 in terms of volume of containers handled and the second busiest port in Southeast Asia.

We began container port operation in 1996 and we have a market share of 69% of container traffic at Port Klang and a market share of 33% of container traffic in Malaysia in 2012, according to Drewry Maritime Advisors. Port Klang is located approximately 40 kilometres west of Kuala Lumpur. The following table shows the growth of Westports' throughput and market share of Port Klang's annual container volume for the years indicated:

	Year ended 31 December				
	2001	2004	2007	2010	2012
Throughput (million TEUs)........................	1.5	2.6	4.3	5.6	6.9
Market share in Port Klang [(1)] (%)............	39	49	61	63	69

Note:

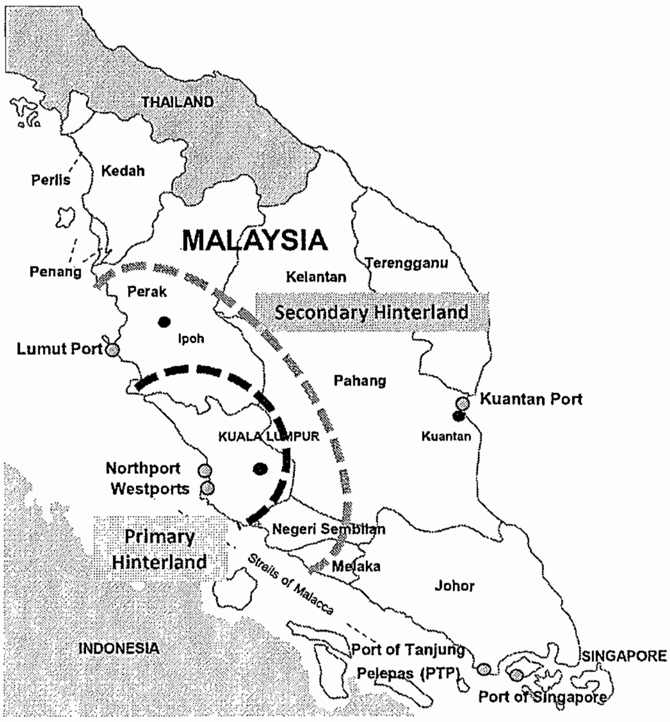
(1) According to Drewry Maritime Advisors.

In addition to Westports' central location on the densely populated west coast of Peninsular Malaysia, strong intermodal connections within Peninsular Malaysia and with neighbouring countries have also ensured Westports' success as an Import/Export port. In particular, Westports has good connectivity to Port Klang's hinterland via links to the North-South Expressway, North-South Expressway Central Link, Shah Alam Expressway and South Klang Valley Expressway. The North-South Expressway runs the length of Peninsular Malaysia from Bukit Kayu Hitam at the Malaysia-Thai border to the Johor Causeway in the south, covering a distance of 772 kilometres. This expressway along the west coast of Peninsular Malaysia together with the New Klang Valley Expressway and the Federal Highway Route 2, plays an important role in the distribution of Import/Export cargo via Port Klang. The industrial hinterland surrounding Port Klang, including the Shah Alam Industrial region as well as the PKFZ, is a key source and destination for cargoes moving through Westports.

Westports is also linked by rail to Port Klang's South Port and to inland container depots such as Ipoh Cargo Terminal in Perak, Nilai Inland Port in Negeri Sembilan, Padang Besar (at the Malaysia-Thailand border) and Segamat Inland Port in Johor. In addition, a 4.4-kilometre link from Northport to Westports has reduced travel time between the two (2) ports. Westports is also linked to Malayan Railway's rail network, with direct connections to Penang and Bangkok to the north of Malaysia and Singapore to the south of Malaysia.

Port Klang is located approximately 75 kilometres away from Kuala Lumpur International Airport, which is Malaysia's main international airport.

The following map shows Westports' primary and secondary hinterlands:



7.6 Our services

Our primary services are (i) container cargo services; (ii) conventional cargo services; (iii) marine services; and (iv) rental services.

The chart below summarises our primary services and certain statistics of our services:

WMSB

- **Container Services**
  - **Terminal Handling Services**
    - Handling of transhipment and Import/Export cargo

    Throughput (for the year ended 31 December 2012)
    - 4.9 million TEUs of transhipment cargo
    - 2.0 million TEUs of Import/Export cargo
  - **Value-Added Services**
    - Comprise of storage services, reefer services, special services, removal services, container freight services, other value-added services
- **Conventional Services**
  - **Dry Bulk Services**
    - Handling and storage of edible and non-edible dry bulk commodities
  - **Break Bulk Services**
    - Handling of iron and steel products, machinery, linerboard and wood pulp
  - **Liquid Bulk Services**
    - Handling of petroleum and petrochemical products and bunkering services
  - **RORO Services**
    - Port services for Import/Export of vehicles
  - **Cement Services**
    - Handling of bulk cement cargo

  Total quantity of cargo handled (for the year ended 31 December 2012)
  - 10.2 million tonnes and 0.2 million units for RORO
- **Marine Services**
  - Provision of tug boat and pilotage services
- **Rental Services**
  - Rental of land, storage facilities and office space

The following table shows our revenue breakdown for the periods indicated, in absolute terms and expressed as a percentage of total operational revenue, based on our primary services:

	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Container	788,960	80.9	914,651	82.0	1,009,247	82.3	524,434	81.6
Conventional	96,790	9.9	104,868	9.4	122,698	10.0	67,201	10.4
Marine	57,022	5.9	64,557	5.8	64,134	5.2	35,365	5.5
Rental	32,182	3.3	31,254	2.8	30,086	2.5	15,758	2.5
Total operational revenue	974,954	100.0	1,115,330	100.0	1,226,165	100.0	642,758	100.0
Construction(1)	23,594		272,044		266,097		107,326	
Total revenue	998,548		1,387,374		1,492,262		750,084	

Note:

(1) Construction revenue represents the revenue related to the construction of port-related infrastructures under the Privatisation Agreement and is recognised based on the stage of completion of the work performed.

We have approximately 75 main line services calling at our port which are complemented by approximately 65 feeder services, all of which are independently operated by 48 lines, with links to more than 350 ports around the world.

7.6.1 Container services

Container services accounted for approximately 81.6% of our total operational revenue for the six (6) months ended 30 June 2013. With the completion of construction and commencement of full operations of CT6 in March 2013, our container terminals currently have the ability to accommodate a total handling capacity of approximately 9.5 million TEUs per annum, and can support the largest vessels in the world with capacities of up to 18,000 TEUs.

Our container terminal facilities, which commenced operations in May 1996, are currently equipped with, among others, 47 quay cranes and 125 RTGs. Approximately 24.3 hectares of container yard space is allocated to each 600-metre terminal for maximum flexibility in operations and logistics. The terminal facilities operate 24 hours a day and seven (7) days a week (except for a few hours during Eid ul Fitr, an annual religious holiday in Malaysia) and have a 24-hour customs clearance facility with an electronic data interchange system.

A summary of our container terminal facilities and their operations is as follows:

Type	Remarks
Berth length	14 berths with an aggregate length of 4,000 metres
Capacity	Approximately 9.5 million TEUs per annum
Area	137.7 hectares consisting of: CT1 – 16.2 hectares CT2 – 24.3 hectares CT3 – 24.3 hectares CT4 – 24.3 hectares CT5 – 24.3 hectares CT6 – 24.3 hectares

Type	Remarks
Area *(cont'd)*	Planned development for approximately 169.5 hectares consisting of: CT7 – approximately 52.3 hectares (expected completion in 2015) CT8 – approximately 58.5 hectares CT9 – approximately 58.7 hectares
Equipment	47 quay cranes (all twin lifts) [(1)] 125 RTGs [(2)(3)] 15 empty stackers [(3)] 13 reach stackers [(3)] 332 prime movers 347 trailers
Additional features	15.0 to 17.5 metre berth depth 1,236 reefer points[(4)] 29,985 total ground slots
Productivity	Routinely exceeding 35 Moves Per Hour per crane for large vessels (vessels over 300 metres in length) Routinely achieving 70 to 100 Moves Per Hour per vessel on main line vessels Routinely exceeding 50 Moves Per Hour per vessel on feeder vessels

Notes:

(1) Currently, only 45 quay cranes are in operation as the remaining two (2) quay cranes are not being utilised and are in the process of being disposed off.

(2) Currently, only 115 RTGs are in operation as the remaining ten (10) RTGs are not being utilised and are in the process of being disposed off.

(3) Reach stackers, empty stackers and RTGs are types of yard cranes.

(4) Reefer points relate to electricity plug points used for the storage of cargo that requires refrigeration.

(i) Terminal handling services

WMSB's container cargo services cover two (2) main areas: terminal handling services and value-added services. The following table shows our revenue for the periods indicated, in absolute terms and expressed as a percentage of total container revenue, based on our main areas of container cargo services:

	For the year ended 31 December						For the six (6) months ended 30 June 2013	
	2010		2011		2012			
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Terminal handling charges ...	707,199	89.6	815,734	89.2	891,804	88.4	463,366	88.4
Value-added services	81,761	10.4	98,917	10.8	117,443	11.6	61,068	11.6
Total container revenue	788,960	100.0	914,651	100.0	1,009,247	100.0	524,434	100.0

Our terminal handling services primarily consist of lifting containers onto and off vessels, storage of containers in the storage yard and facilitating the delivery and receipt of containers. Our container handling volume for the years ended 31 December 2010, 2011 and 2012 were 5.6 million TEUs, 6.4 million TEUs and 6.9 million TEUs, respectively. For the six (6) months ended 30 June 2013, our container handling volume was 3.6 million TEUs. In addition, our container terminals routinely exceeds 35 Moves Per Hour per crane for large vessels (vessels over 300 metres in length).

(a) Transhipment and Import and Export throughput

The two (2) main categories of throughput are transhipment and Import/Export, which is also referred to as gateway or general throughput. Container services contributed approximately 81.6% of our total operational revenue for the six (6) months ended 30 June 2013 with approximately 69.4% of our gross throughput from transhipment and 30.6% of our gross container throughput from Import/Export.

The following tables set forth the breakdown of our revenue and throughput by quantity for the periods indicated, in absolute terms and expressed as a percentage of the total:

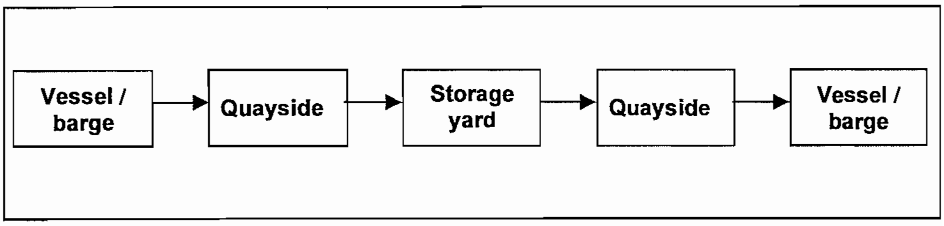
	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Transhipment	408,252	57.7	477,686	58.6	507,948	57.0	256,226	55.3
Import/Export	298,947	42.3	338,048	41.4	383,856	43.0	207,140	44.7
Total container revenue from terminal handling services	707,199	100.0	815,734	100.0	891,804	100.0	463,366	100.0

	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(TEUs in millions)	(%)	(TEUs in millions)	(%)	(TEUs in millions)	(%)	(TEUs in millions)	(%)
Transhipment	4.1	73.2	4.7	73.4	4.9	71.0	2.5	69.4
Import/Export	1.5	26.8	1.7	26.6	2.0	29.0	1.1	30.6
Total container throughput	5.6	100.0	6.4	100.0	6.9	100.0	3.6	100.0

(aa) Transhipment

Transhipment refers to the transfer of containers from one vessel to another at the terminal en route to a final destination. There are broadly two (2) types of transhipment flow: (i) vessel-to-vessel transhipment, which involves the transfer of containers from one deep-sea container vessel to another; and (ii) vessel-to-barge transhipment, which involves the transfer of containers from deep-water container vessels to barges and feeders, or vice versa. Transhipment throughput is critical to utilisation, particularly to ports located in a region with high volume vessel access, such as the Straits of Malacca.

The flow of transhipment containers is illustrated below:



(bb) Import/Export

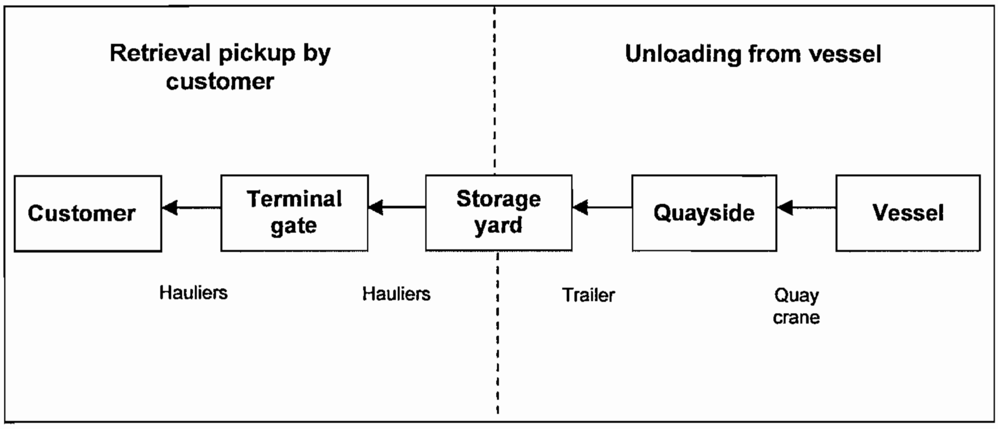
Import/Export throughput includes containers originating from and destined to the ports' hinterland and differs from transhipment throughput. As Import/Export throughput is usually handled by a terminal close to the point of consumption or production, Import/Export throughput is generally less likely to be lost to competitors and is less price-sensitive than transhipment throughput. Import/Export generally provides higher tariffs per move than transhipment and provides better margins for the container terminal operator. In addition, there is also the potential for earning incremental revenue from ancillary services such as delivery, cleaning and repair for Import/Export containers.

Westports' container market share in Malaysia in 2012 was approximately 33% and its container market share at Port Klang was approximately 69% in 2012, according to Drewry Maritime Advisors, with a market share of 79% for transhipment and 53% for Import/Export in Port Klang.

- **Import of containers**

  Import containers are unloaded from vessels by quay cranes and placed on trailers which operate within our terminals. These trailers transport the containers to the yard, and the containers are placed by yard cranes into temporary storage. The containers remain in storage until the yard cranes retrieve them for collection by hauliers, or external trailers, in service of the shippers, which transport these containers out of our terminals.

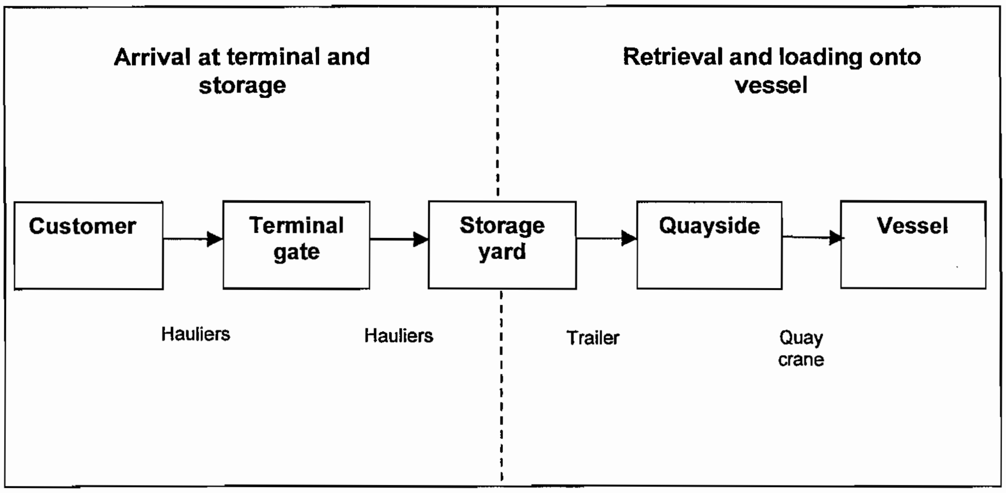
  The flow of import containers is illustrated below:



- **Export of containers**

  Export containers generally follow the same sequence as import containers but in reverse. The containers arrive on hauliers through the terminal gate and are held in temporary storage until their designated vessel arrives. Thereafter, they are retrieved from storage, taken by trailers to the berth and loaded by the quay cranes onto vessels.

  The flow of export containers is illustrated below:



(b) Container operations productivity

Certain productivity data in relation to our container operations are set out below.

	Year ended 31 December			Six (6) months ended
	2010	2011	2012	30 June 2013[(1)]
Annual berth utilisation rate (TEU/metre of quay at end of period) .	1,637	1,731	1,867	1,797
TEU/Crane..	163,705	169,271	169,559	167,122
TEU/Hectare......................................	49,256	52,926	57,104	52,187
Capacity utilisation rate (TEU throughput/capacity at end of period) .	0.78	0.76	0.77	0.76

Note:

(1) Calculated based on annualised TEU throughput

According to Drewry Maritime Advisors, based on 2011 data, our annual berth utilisation rate is one of the highest in Asia at 1,731 TEUs handled annually per metre of quay.

(c) Turnaround time

Our container gate system and streamlined customs processes enable hauliers to enter and exit our terminals in approximately 20 minutes on average.

In addition, IT solutions play important roles in ensuring operational efficiency. COSMOS, our container terminal operations system, allows us to integrate planning and real-time operations monitoring to expedite and automate the day-to-day management and operation of container terminals and it is used for the entire scope of terminal operations, tightly coupling berth, ship, yard and rail planning with quay, yard, rail and gate operations. We also support comprehensive electronic data interchange which enables fast exchange of information between us and our customers. E-Terminal Plus allows our customers and other users of the port to obtain real-time information at any time at their own convenience and also easily exchange information with us. The seamless integration of e-Terminal Plus with our container terminal operations system and the Customs' system has streamlined and automated many work processes, creating a simplified and efficient operation process, minimising waiting time and the need for agents to be physically present at our terminals.

Our NGCCS is utilised to fully computerise all non-containerised cargo activities, from wharf operation to billing.

(d) Crane productivity

We routinely achieve 70 to 100 Moves Per Hour per vessel on main line vessels, which are mainly large vessels (vessels over 300 metres in length), and routinely exceed 50 Moves Per Hour per vessel on feeder vessels. We routinely exceed 35 Moves Per Hour per crane for large vessels (vessels over 300 metres on length). Notably, our operations team achieved a record of 734 Moves Per Hour with a nine-crane deployment on a single vessel. The following table sets forth certain information on notable achievements in terms of our crane productivity.

Year	Vessel	Record Moves Per Hour	Crane deployment
2011	CSCL Pusan	734	9 cranes
2009	CMA CGM Orfeo	665	9 cranes
2006	CMA CGM Rossinni	421	7 cranes
2006	CMA CGM Puccini	452	8 cranes
2006	CMA CGM Bizet	456	8 cranes

(ii) Value-added services

Our container value-added services comprise storage services, reefer services, container freight services, special services, removal services and other value-added services. Storage and reefer services have historically been the largest revenue generators among our value-added services. The following table shows our revenue for the periods indicated based on our main areas of value-added services, in absolute terms and expressed as a percentage of the total:

	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Storage services.........	23,888	29.2	27,552	27.9	35,556	30.3	16,615	27.2
Reefer services...........	16,594	20.3	23,331	23.6	29,377	25.0	18,594	30.4
Special services..........	15,333	18.8	16,434	16.6	16,293	13.9	7,305	12.0
Removal services	6,932	8.5	9,006	9.1	12,689	10.8	6,542	10.7
Container freight services......................	7,325	9.0	9,968	10.1	10,561	9.0	5,476	9.0
Other value-added services......................	11,689	14.2	12,626	12.7	12,967	11.0	6,536	10.7
Total value-added service revenue..........	81,761	100.0	98,917	100.0	117,443	100.0	61,068	100.0

(a) Storage services

The storage of containers on behalf of our customers for varying periods of time within our terminals represents an additional income stream and is based on charging an amount per TEU based on the size of container, up to the maximum tariff fees. Actual rates charged depend on several factors such as whether the container is laden or empty, the duration of storage and the type of storage, i.e. open-air or covered. Fees from this service are expected to grow in line with the growth of our container terminal capacity.

(b) Reefer services

We provide refrigeration, or "reefer", storage and transportation services for container customers for certain cargo that is perishable or requires refrigeration. We have 1,236 reefer points spread out among our current container terminals. Reefer care is supported by our 24-hour support teams. Our reefer care support teams are capable of handling all types of refrigerated cargo and have the capability to provide specialised services such as controlled atmosphere or nitrogen injection.

In addition, our reefer platforms provide good infrastructure for electricity cabling and allow staff easy access to attend to plug-in and plug-out operations. Customers are also able to monitor the status of their reefer units via our e-terminal facilities. For details on our IT and operating systems, refer to Section 7.22 of this Prospectus.

(c) Special services

Revenue for container services is primarily generated by the handling of the movement of containers from a vessel to the container yard, which is regarded as one (1) "move". A customer may request Westports to change the shipping information submitted to Westports which in many circumstances result in re-planning and/or extra handling movements to be handled by Westports. In such circumstances, the customer is required to pay additional fees for such special services request.

(d) Removal services

Removal charges will be incurred if local laden containers exceed the allocated free days in the container yard and thus need to be moved to the long lying yard, where containers may remain on a longer term basis.

(e) Container freight services

We play an intermediary role in the global distribution of cargos by providing facilities for shipping lines and their customers for cargo consolidation and break-bulking activities within the free commercial zone. The CFS which encompasses 120,000 square feet of covered warehouse, cater for services such as:

- providing a transit point for global cargo distribution plying international and regional shipping routes;
- deventing of cargos within the terminal for distribution to multiple local consignees;
- providing a bonded service facility for cargo consolidation and break-bulking activities;
- trans-loading due to restriction imposed by receiving countries on the certificate of origin; and
- acting as a regional distribution centre to provide value-added services such as labelling and repackaging.

We also provide internal drayage services to facilitate movements of containers to and from container yard and on-dock depot to support CFS activities.

(f) Other value-added services

Other value-added services comprise hatch cover services, gear box services and demurrage services.

7.6.2 Conventional services

We also offer conventional services. Our conventional services comprise: dry bulk services, liquid bulk services, break bulk services, RORO services and cement services.

By offering quality service and handling facilities, we have attracted cargo vessels carrying a wide variety of non-containerised goods as well as serving the growing local markets for commodities and specialised cargos, such as grains and various types of construction materials. The location of our cargo handling facilities makes it attractive for stockpiling cargo for re-export.

Productivity relating to conventional cargo is tied to the internally developed Fastport Standards. Fastport Standards is a system of standards relating to conventional cargo created by us to incentivise our employees to perform efficiently by rewarding them if certain management-determined benchmarks are met or exceeded. Fastport Standards were created with the aim of achieving little to no waiting time for pilots and tugs, berths, gangs and equipment, cargo handling, customs clearance, trailers and port exit at Westports.

The following tables set forth the breakdown of our conventional cargo handled by revenue and quantity for the periods indicated, in absolute terms and expressed as a percentage of the total:

	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Dry Bulk	42,904	44.3	40,767	38.9	40,043	32.6	20,471	30.5
Break Bulk	16,240	16.7	19,974	19.1	29,796	24.2	22,347	33.3
Liquid Bulk	20,500	21.2	24,597	23.5	25,018	20.4	13,198	19.6
RORO	11,601	12.0	12,932	12.3	15,903	13.0	5,127	7.6
Cement	842	0.9	1,407	1.3	4,480	3.7	2,667	4.0
Others[(1)]	4,703	4.9	5,191	4.9	7,458	6.1	3,391	5.0
Total conventional revenue	96,790	100.0	104,868	100.0	122,698	100.0	67,201	100.0

Note:

(1) Others include fire and security revenue and sundry income. Fire and security revenue is primarily related to services provided for dangerous or high security goods.

	Year ended 31 December						Six (6) months ended 30 June 2013	
	2010		2011		2012			
	(million tonnes, except units)	(%)	(million tonnes, except units)	(%)	(million tonnes, except units)	(%)	(million tonnes, except units)	(%)
Dry Bulk	3.9	43.8	3.7	38.6	3.6	35.3	1.7	32.1
Break Bulk	1.0	11.2	1.2	12.5	1.6	15.7	0.9	17.0
Liquid Bulk	3.8	42.7	4.4	45.8	4.2	41.2	2.2	41.5
Cement	0.2	2.3	0.3	3.1	0.8	7.8	0.5	9.4
Total	8.9	100.0	9.6	100.0	10.2	100.0	5.3	100.0
RORO (million units) ..	0.2	-	0.2	-	0.2	-	0.1	-

(i) Dry bulk services

The majority of the dry bulk cargo throughput at Westports comes from international trade, and in particular, dry bulk cargo imports into Malaysia. The type of cargo handled, berthing and de-berthing, the flow of traffic at Westports and the capacity of equipment and storage facilities affect the utilisation of the berths and total cargo throughput. Intra-port transportation for dry bulk cargo from the berths to the customers' warehouses is done via a 10,000-metre conveyor belt.

Dry bulk cargo activities include the piloting and berthing of vessels and the loading, unloading and storage of cargo. Our revenue from dry bulk cargo includes revenue from handling and storage of dry bulk cargo, marine services, berth hire charges, wharfage charges and stevedoring charges.

In terms of volumes, maize, soya beans and sugar are the largest edible dry bulk commodities and slag and coal, fertilisers and clinker are the largest non-edible dry bulk commodities handled at Westports.

(a) Dry bulk terminal facilities

The dry bulk terminal facilities comprise Dry Bulk Terminal 1 which consists of three (3) main berths and Dry Bulk Terminal 2 which consists of one (1) berth, both terminals having an aggregate capacity of 8.9 million tonnes per annum. Our main terminal premises are approximately 850 metres in total berth length and are equipped with two (2) gantry grab unloaders which can discharge up to 300 to 600 tonnes per hour per crane simultaneously. A 10,000-metre conveyor belt system connected directly to clients' warehouses allows for a discharge rate of up to 2,000 tonnes per hour. The dry bulk terminal facilities are also equipped with one (1) grab discharger unit (T-Rex) which is capable of discharging up to 150 to 200 tonnes per hour per crane and mainly cater for non-edible goods such as slag and coal, fertilisers and clinker.

(b) Dry bulk productivity

We strive to continuously improve our productivity and efficiency in our dry bulk cargo operations. We invest in equipment in order to improve our throughput capacity, which allows us to achieve high discharge or load rates for dry bulk cargo. We have regularly met and surpassed the Fastport Standards for dry bulk handling at both of our terminals. The Fastport Standards for Dry Bulk Cargo Terminal 1 are 500 tonnes per hour for edible free flow cargos and 300 tonnes per hour for edible non-free flow cargos. The Fastport Standard for Dry Bulk Cargo Terminal 2 is 150 tonnes per hour for non-edible cargos.

Certain handling data in relation to our dry bulk operations are set out below:

	Year ended 31 December			Six (6) months ended 30 June
	2010	2011	2012	2013
Dry bulk terminal 1				
Throughput (million tonnes)	2.93	2.58	2.45	1.14
Vessel calls................	98	83	86	40
Dry bulk terminal 2				
Throughput (million tonnes)	1.02	1.19	1.14	0.60
Vessel calls................	100	101	99	52

(ii) Break bulk services

Initial shipments of break bulk cargo through Westports commenced in November 1994. The majority of break bulk cargo throughput includes iron, steel products and steel coils, machinery, linerboard and wood pulp. Cargo is discharged or loaded by using cranes and loaded onto trailers using a forklift and then transferred to the relevant yard.

(a) Break bulk terminal facilities

The break bulk terminal facilities comprise three (3) main berths with an aggregate total berth length of 600 metres. The break bulk terminal facilities are equipped with forklifts, trailers and mobile cranes.

(b) Break bulk productivity

We have regularly met and surpassed the Fastport Standards for break bulk handling in all break bulk categories. The Fastport Standards for break bulk cargo are 50 tonnes per gang per hour for general cargos, 100 tonnes per gang per hour for steel product cargos and 200 tonnes per gang per hour for steel coils cargos.

Certain handling data in relation to our break bulk operations are set out below:

	Year ended 31 December			Six (6) months ended 30 June
	2010	2011	2012	2013
Throughput (million tonnes) ..	1.01	1.20	1.62	0.86
Vessel calls........	236	295	358	196

(iii) Liquid bulk services

We handle petroleum and petrochemical products, palm oil and fuel oil and diesel at our liquid bulk cargo terminal and offer standard liquid services as well as bunkering services. Cargo is discharged or loaded using a hose pipe or loading arm.

(a) Liquid bulk terminal facilities

Our liquid bulk terminal is built on 81.6 hectares of land and comprises five (5) berths. The five (5) main jetties and the terminal have a total berth length of 1,307 metres. These facilities can handle up to 90 different types of cargo.

Our bunkering facility, which is operated by a third party, contains modern loading arms, pipe racks and tanks which allows for a discharge rate of up to 3,000 tonnes of oil per hour. We charge fees to the operator of the bunkering facility for the use of our liquid bulk pipes to transport fuel to vessels in the bunkering process.

(b) Liquid bulk productivity

We, and in relation to bunkering services, our third party providers, have regularly met and surpassed the Fastport Standards for liquid bulk handling. The Fastport Standards for liquid bulk cargo are 2,000 tonnes per hour for bunkering cargos and 400 tonnes per hour for non-bunkering cargos.

Certain handling data in relation to our liquid bulk operations are set out below:

	Year ended 31 December			Six (6) months ended 30 June
	2010	2011	2012	2013
Bunkering – outgoing only				
Throughput (million tonnes)...	1.42	1.46	1.04	0.40
Vessel calls..........	55	55	28	10
Non-bunkering				
Throughput (million tonnes)...	2.33	2.91	3.16	1.76
Vessel calls..........	573	642	609	348

(iv) RORO services

We also offer RORO services to our customers and have engaged third-party operators. Our RORO facilities are designed to accommodate vessels that carry wheeled cargo, such as automobiles. The defining feature of RORO vessels is a built-in ramp, which allows cargo to be efficiently "rolled on" and "rolled off" the vessel when in port.

(a) RORO terminal facilities

The RORO terminal facilities cater for Import/Export of vehicles such as cars, trucks and excavators which are not containerised. We have six (6) berths available to RORO operations, which can be used subject to berth availability. We currently have a total of six (6) main open yards situated on approximately 21.0 hectares of land to cater for RORO operations.

(b) **RORO productivity**

We have regularly met and surpassed the Fastport Standards for RORO. The Fastport Standards for RORO are 100 units per hour for light units and 40 units per hour for high and heavy cargo.

Certain handling data in relation to our RORO operations are set out below:

	Year ended 31 December			Six (6) months ended 30 June
	2010	2011	2012	2013
Throughput (units).....	154,588	168,325	197,073	55,916
Vessel calls..............	232	250	289	136

(v) **Cement services**

We have a cement jetty to handle bulk cement cargos for one (1) cement cargo operator. We charge these cement cargo operators fees based on cargo tonnage handled and for use of the jetty, with a minimum guaranteed contracted amount.

(a) **Cement terminal facilities**

Our cement terminal facilities comprise one (1) berth with a total berth length of 285 metres and is equipped with a pipe line system, through which cargo is pumped to a silo.

(b) **Cement productivity**

We, in conjunction with third party operators, have regularly met and surpassed the Fastport Standard for cement cargo of 160 tonnes per hour.

Certain handling data in relation to our cement operations are set out below:

	Year ended 31 December			Six (6) months ended 30 June
	2010	2011	2012	2013
Throughput (tonnes '000s)..........................	153	256	815	485
Vessel calls....................	16	24	58	38

7.6.3 Marine services

Our marine services consist of tug boat services and pilotage services. All vessels that seek to use Westports are required to pay WMSB a fee in order to utilise these pilotage and towage services to guide the vessel into the channel leading to the port. We levy a fee for pilotage from the pilot station to the vessels' berth, pilotage from the berth back to the pilot station and for towage via tugboat during berthing and unberthing of the vessel.

7.6.4 Rental services

Our rental services are generally used by larger conventional cargo customers, as rental services are charged on a fixed basis rather than based on the amount of cargo stored. We enter into sub-lease contracts with rental customers on both short and long term bases to primarily rent land, storage facilities and office space. Generally, our customers who enter into short term contracts lease warehouse space provided by us or third parties whereas long term contract customers tend to build warehouses on land leased from us. In addition to conventional rental services, we also provide on-dock depot services in which empty containers are repaired and cleaned.

The table below shows the size of our rental facilities as of 30 June 2013:

Rental land, storage facilities and office and others	Area (square feet)
Land	
Break Bulk	487,872
Dry Bulk	3,034,409
Liquid Bulk	6,391,433
RORO	1,959,028
Cement	1,576,648
Other	913,038
Subtotal	14,362,428
Storage Facilities	
CFS	119,900
Warehouses	375,733
On dock depot	2,245,651
Yard	15,920
Subtotal	2,757,204
Office and others	65,833
Total	**17,185,465**

7.6.5 Tariffs and fees

Tariffs are charged for the loading and unloading of containers, storage of containers and conventional cargo and marine services. Other principal fees include fees charged for movements of containers within the terminal. Tariff rates and fees charged to customers may depend on:

(i) whether it is transhipment throughput or Import/Export throughput;

(ii) the type of containers or conventional cargo handled; and

(iii) the type of services provided (such as loading and unloading of containers and transfer of containers both within and out of the terminal).

The maximum published tariffs, for both container and conventional cargo, are regulated by the PKA and set by the GOM. Out of all the container handling or moving charges, ship-to-shore handling by the PKA is the largest component. We charge the same rate for the movement of empty containers as for laden containers. Below is a table listing the maximum tariff allowed per move for Import/Export and transhipment containers:

	Maximum Published Handling Tariffs	
Container Size	Transhipment	Import/Export
	(RM per move)	(RM per move)
20 feet	140	230
40 feet	210	345
> 40 feet	240	420

7.6.6 Capacity expansion plan

CT6 became fully operational in March 2013. We intend to continue with the expansion of Westports' capacity with the construction of three (3) new container terminals, CT7, CT8 and CT9. The land reclamation and incidental works for CT7 were completed in September 2012. As at the LPD, approximately 91% of the land reclamation and incidental works for CT8 and CT9 have been completed and are expected to be fully completed by 31 December 2013.

We expect CT7 to be completed and become fully operational in 2015. The timing and construction of CT8 and CT9 will depend on market conditions. The table below shows certain information on CT7, including the expected commercial operation date, berth length and increase in expected handing capacity of CT7:

CT	Expected commercial operation date	Berth length (metres)	Berth depth (metres)	Increase in expected handling capacity (million TEUs)
7 (Phase I)	Second half of 2014	300	17.5	Approximately 1.5
7 (Phase II)	2015	300		

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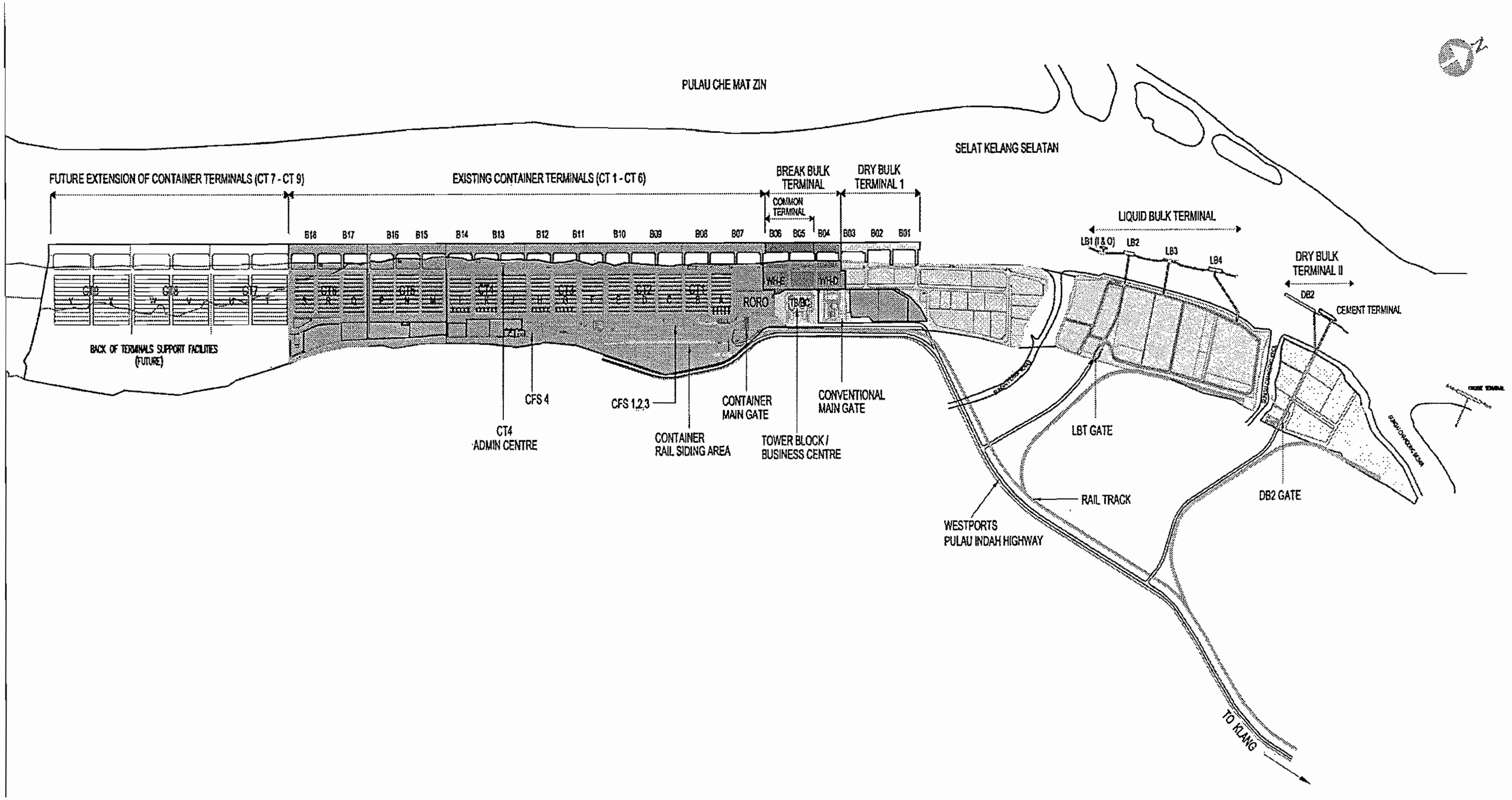
7. BUSINESS OVERVIEW *(cont'd)*

The following diagram shows our existing and future container terminals:



There are two (2) main types of dredging undertaken at Westports, namely capital dredging of the channel which involves the deepening of the depth of the channel leading up to Westports and dredging works for maintenance of the depth of the channel and the depth of the wharves at Westports. The Group engages a third party to undertake dredging works at its wharves, whereas capital dredging and maintenance dredging of the channel is undertaken by the GOM and the PKA, respectively. The dredging works of the wharves are carried out by Inai Kiara Sdn Bhd ("**IKSB**") once every 18 months subject to the requisite surveys being carried out prior to embarking on the dredging works.

The construction and completion of the land reclamation works at CT6, CT7, CT8 and CT9 at Westports ("**Reclamation Works**") is being carried out by IKSB for an approximate amount of RM323.6 million, which shall be paid to IKSB progressively based on progress claims submitted by IKSB. The Reclamation Works include capital dredging, procurement of quality sand and construction of revetment. The Reclamation Works for CT6 and CT7 was completed on 17 February 2012 and 25 September 2012, respectively. The Reclamation Works for CT8 and CT9 which was scheduled for completion by 17 December 2012 has been extended to 11 September 2013. In a case where IKSB fails to complete the Reclamation Works by any of the specified completion dates, or any approved extended period, IKSB will be liable for a sum calculated at the rate of RM50,000.00 per day as liquidated and ascertain damages applicable to a specified completion date, up to a maximum of 5% of the contract sum.

In connection with the Reclamation Works, IKSB had secured the issuance of a performance bond by RHB Bank Berhad ("**RHB Bank**") on 12 January 2011 in favour of WMSB. RHB Bank had agreed to guarantee the due performance of IKSB in that if IKSB fails to meet the terms of their contract or commits any breach of its obligations under their contract, then RHB Bank shall upon demand pay to WMSB a sum not exceeding 5% of the contract sum. This guarantee is irrevocable and will be in force and effect from 18 October 2010 until six (6) months after the expiry date of the defects liability period as provided for in their contract (i.e. 17 June 2014), and in the case of their contract being terminated, one (1) calendar year after the date of the termination.

The construction and completion of CT6 Phase II wharf, CT6 yard zones, CT7 wharf and access bridges and associated works at Westports ("**Incidental Works**") is being carried out by Putra Perdana Construction Sdn Bhd ("**PPCSB**") for an approximate amount of RM448.2 million, which shall be paid to PPCSB progressively based on progress claims submitted by PPCSB. The Incidental Works include piling works, the placing of pile caps, construction of a wharf deck and bridge deck and soil investigations. In addition, PPCSB must complete the Incidental Works for CT7 (i) by 21 September 2013 for the first 300 metres length of wharf and (ii) by 21 December 2013 for the second 300 metres length of wharf. The Incidental Works for CT6 Phase II have since been completed. In a case where PPCSB fails to complete the Incidental Works for CT7 by the specified completion date, or any approved extended period, PPCSB will be liable for a sum calculated at the rate of RM50,000.00 per day as liquidated and ascertain damages applicable to overall completion, up to a maximum of 10% of the contract sum.

In connection with the Incidental Works, PPCSB had secured the issuance of a performance bond by Alliance Bank Malaysia Berhad ("**ABMB**") on 5 March 2012 in favour of WMSB. ABMB had agreed to guarantee the due performance of PPCSB in that if PPCSB fails to meet the terms of their contracts or commits any breach of its obligations under their contracts, then ABMB shall upon demand pay to WMSB a sum not exceeding 5% of the contract sum. On 7 November 2012, this guarantee was extended to 22 June 2015. Therefore, any demand under this guarantee must be received by ABMB on or before the expiry date or within 14 days from the expiry date but no later than 6 July 2015.

PPCSB had secured the issuance of an additional performance bond by ABMB on 8 November 2012. This guarantee is irrevocable and will be in force and effect from 22 October 2012 until six (6) months after the expiry date of the defects liability period (i.e. 12 months from the issuance of the certificate of practical completion from the overall Incidental Works completion) and in the case of their contract being terminated, one (1) calendar year after the date of the termination, or until 22 June 2015, whichever is earlier. Notwithstanding this, the guarantee shall expire on 22 June 2015. Therefore, any demand under this guarantee must be received by ABMB on or before the expiry date or within 14 days from the expiry date but no later than 6 July 2015.

The construction and completion of CT7 yard zones T and U and associated works ("**CT7 Yard Works**") at Westports is being carried out by Loh & Loh Constructions Sdn Bhd ("**LLCSB**") for an approximate amount of RM129.0 million, which shall be paid to LLCSB progressively based on progress claims submitted by LLCSB. In addition, LLCSB must complete the CT7 Yard Works (i) by 17 December 2013 for CT7 yard (zones T) and (ii) by 17 February 2014 for CT7 yard (zones U). In a case where LLCSB fails to complete the CT7 Yard Works by the specified completion date, or any approved extended period, LLCSB will be liable for a sum calculated at the rate of RM50,000.00 per day as liquidated and ascertain damages applicable to overall completion, up to a maximum of 10% of the contract sum.

In connection with the CT7 Yard Works, LLCSB had secured the issuance of a performance bond by RHB Bank on 18 March 2013 in favour of WMSB. RHB Bank had agreed to guarantee the due performance of LLCSB in that if LLCSB fails to meet the terms of their contract or commits any breach of its obligations under their contract, then RHB Bank shall upon demand pay to WMSB a sum not exceeding 5% of the contract sum. This guarantee is irrevocable and will be in force and effect from 18 March 2013 until six (6) months after the expiry date of the defects liability period (i.e. 12 months from the issuance of the certificate of practical completion) and in the case of their contract being terminated, one (1) calendar year after the date of the termination or until 17 August 2015, whichever is earlier. Therefore, any demand under this guarantee must be received by RHB Bank within the period of the guarantee or within 14 days from the expiry date.

We intend to utilise the amounts available or part thereof under the SMTN Programmes as well as the grant provided by the GOM pursuant to the Facilitation Fund Agreement to fund the Reclamation Works and the Incidental Works. For further details of the SMTN Programmes and the Facilitation Fund Agreement, refer to Sections 12.2.6(iii), 12.2.14(iii) and 15.6 of this Prospectus.

7.6.7 Security and risk management

We are committed to regularly updating and improving our security measures to enhance our position as a leading port operator, while assuring quality service and continued customer satisfaction. Our corporate security policy is designed to protect our personnel, assets, reputation and customers' interests by employing high corporate, ethical and operational standards that meet our vision of excellence. We have in place a crisis management team which is responsible for determining contingency plans based on various business interruption scenarios, such as environmental disasters, explosions or spillage of cargo or other toxic substances. The crisis management team is also responsible for adopting sophisticated cargo security measures to ensure safety, including 24 hour patrolling by land and sea, closed-circuit television ("**CCTV**") coverage, X-ray machines to scan container boxes, a smart card security system for truckers' entry-exit, an e-secure system for conventional cargo trucks and visitors management systems, container tracking system, secured online customs clearance and a secured online gate pass system to monitor the movement of conventional cargo.

We have dedicated strategic security consultants at the corporate level, who provide expert counsel to our key management and direction to our business. We have established a series of primary security objectives that are designed to implement our corporate security policy across our network of container terminals. Simultaneously, in conjunction with other internal departmental objectives, we are building business resilience capacity in the critical areas of asset protection, corporate governance, information assurance, business continuity, reputation management and crisis management.

Our security and business resilience objectives are met through the implementation of a planned set of security initiatives and internal programmes. These are consistent with international security legislation and appropriately recognised and accredited quality management systems. For example, we are in compliance with the ISPS Code, a comprehensive set of measures that enhance the security of ships and port facility, as well as the Mega Port Initiative issued by the U.S. Department of Energy's National Nuclear Security Administration, which requires us to scan all containers for radioactive substances. Additionally, we cooperate regularly with the U.S. Customs and Border Protection ("**CBP**") and were audited by the CBP in 2011 and given validation as a participant in the Customs Trade Partnership Against Terrorism programme.

Furthermore, we, as required by law, maintain our own port police force, ambulance service and fire brigade, who collectively also acts as a marine rescue and response team.

7.7 Safety, health and environment and quality assurance

We consider safety, health and environment ("**SHE**") to be of fundamental importance in every aspect of our operations. We understand and take very seriously the SHE responsibilities that we have to employees, customers, contractors, visitors, government agencies and communities. In addition, under the Privatisation Agreement, WMSB is required to:

(i) comply with all relevant laws, standards, criteria and GOM policies on matters relating to the conservation of the existing environment in carrying out WMSB's business and in all matters relating to the Privatisation Agreement;

(ii) ensure the incorporation of appropriate mitigative, rehabilitative, restorative and enhancement measures in WMSB's planning, design and implementation works;

(iii) give due consideration to the preservation and social implications of the water and air quality, soil, flora and fauna within Westports; and

(iv) ensure that the areas leased to WMSB are appropriately landscaped to enhance visual amenity.

The GOM and the PKA reserve the right to determine the cutting, felling or preservation of trees or the replanting thereof on any such areas and WMSB shall comply with any such directives by the GOM and the PKA.

We have dedicated SHE resources that provide expert advice for management in exercising our corporate obligations in this critical area. Our management, staff and employees are guided by the safety, health and environment policy ("**SHE Policy**").

The SHE Policy comprises the following set of primary SHE objectives:

(i) to comply with the Occupational Safety and Health Act 1994, the Factories and Machinery Act 1967, the Environmental Quality Act 1974 and other applicable acts, legislations, orders, rules, codes of practices and other requirements to which we subscribe;

(ii) to prevent harm and injury to port users and pollution to environment through continual improvement in the SHE Policy management and performance;

(iii) to provide facilities materials and resources so that all workers can work in a safe and friendly work environment; and

(iv) to ensure that all workers are acknowledged, informed, trained and supervised, as regards to the requirements of the SHE Policy, mitigating all risk to themselves, any other person and the environment.

We believe that these objectives and the requirements above under the Privatisation Agreement will be achieved through the implementation of a structured set of initiatives, operating procedures and programmes, which are outlined in our Safety, Health and Environment Management System ("**SHEMS**"), that are consistent with industry-leading practice and internationally-recognised management systems. We regularly review and update our SHEMS to ensure that our operating procedures are effective and in line with changing industry standards. The review of these operating procedures is conducted on an annual basis and involves the input of the business heads of each of the relevant business divisions.

We hold ISO 14001 accreditation, which sets forth criteria for an environmental management system and maps out a framework that helps an organisation to improve resource efficiency, reduce waste and drive down costs. Similarly, in accordance with our commitment to quality assurance, we hold the OHSAS 18001 accreditation, which sets forth criteria for a health and safety management system which provides a framework that helps organisations consistently identify and control health and safety risks, reduce the potential for accidents, aid legislative compliance and improve overall performance.

We are committed to achieving the highest industry standards through continuous improvement and adoption of best practices to maintain a healthy and safe working environment and are certified under OHSAS 18001:2001.

7.8 Insurance

Our operations are subject to normal hazards of operational and geographic risks, including accidents, fire and weather-related perils. We maintain various types of insurance policies to protect against the financial impact arising from unexpected events when the amount of the potential loss would be significant enough to materially affect normal business operations. The purchase of these policies is co-ordinated by an internal insurance division, with applicable limits, coverage, scope and deductibles that we, with the advice of our insurance advisors, believe are reasonable and prudent after all means of controlling or preventing the risk have been considered. For details on risks relating to our insurance coverage, refer to Section 5.1.16 of this Prospectus.

We maintain insurance policies covering business interruption and property damage to both our real and personal properties, including but not limited to, assets and equipments material to our business. We also maintain terminal operators' liability to cover liability to a third party due to any negligence as a port operator. Below is a list of all current insurance policies and related coverage:

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Policy	Insurance cover	Coverage
Asset Protection		
Industrial All Risk	Building, office equipment and others Office Machines Crane and Conveyer System Cement/Slag/Container and others Terminals/Pipe Rack Plant and Machinery	Coverage of all risk of accidental physical loss of and/or damage occurring during the period of insurance for: (i) All buildings, gatehouses, furniture, fixtures and fittings, contents; (ii) Cement, slag, container and other terminals, pipe rack; (iii) Wharves, berths, jetties, piers, catwalks, dolphin and the like; (iv) Office machines; (v) Rubber tyre gantries, cranes, conveyor system, container ship uploader; (vi) Other plant & machinery, including accessories; and (vii) Spare parts
Equipment All Risk	Prime Movers/Trailers/Stackers/Top Loaders	Coverage against all risk of loss of or damage occurring during the period of insurance for prime movers, trailers, stackers, forklifts, road sweepers, containers and top loaders
Money	Money	Cash in locked drawers/cash register and safe. Cash in transit (i.e. cash being carried to and from bank/office)
Liability		
Terminal Operators' Liability	Port Operators Liability	Covers our legal and/or contractual liability against a third party for loss or damage to cargo and loss or damage to containers, equipment, vessels or other property whilst in the insured's care, custody or control and consequential loss arising from such loss or damage.
Business Interruption		
Industrial All Risk	Loss of Revenue	Covers loss of profit due to an accident
Compulsory Insurance		
Personal Accident	Personal Accident	Death and dismemberment due to accident
Employer's Liability	Employer's Liability	Employers liability at law against any employee in respect of injury/disease caused during the period of insurance and arising out of and in the course of his/her employment by the insured in the business
Corporate		
Corporate Liability	Director and Officer	Covers against corporate liability or any subsidiary or insured person
Miscellaneous		
Marine Hull	Hull and Machinery	All risk cover against loss, damage, liability and expenses

7.9 Major licences, permits, intellectual property and trademarks

7.9.1 Major licences and permits

We have obtained various licences and permits for our operations in Malaysia through several agreements entered into, including, among others, the Port Licence, the Privatisation Agreement and the Lease Agreement. For further details of our major licences and permits (including the Port Licence), refer to Section 7.21.2 and Annexure B of this Prospectus.

7.9.2 Intellectual property and trademarks

Save as disclosed in Annexure C of this Prospectus, as at the LPD, we do not have any brand names, patents, trademarks, licences, technical assistance agreements, franchises and other intellectual property rights.

7.10 Competition

The Southeast Asian container terminal industry, and in particular, the West Coast of Peninsular Malaysia and Singapore, is highly competitive. According to Drewry Maritime Advisors, the top ten (10) international terminal operators collectively accounted for more than 63% of global throughput for the year ended 31 December 2011. Industry consolidation has intensified competition for us as other global terminal operators are able to offer their shipping line customers alternative global networks and, in some cases, leverage existing relationships with shipping lines in one (1) region to support growth in other regions.

We face competition from container terminal operators in the region, namely operators of Port of Singapore as well as operators of Port of Tanjung Pelepas and Northport in Malaysia, and, to a lesser extent, container terminal operators globally. The main ports competing for transhipment traffic with Westports in the Straits of Malacca are Port of Tanjung Pelepas and Port of Singapore due to their close proximity to the main shipping route along the Straits of Malacca. Westports also competes with Northport for Import/Export traffic as they share the same hinterland given that both Northport and Westports are in close proximity to the capital city of Kuala Lumpur and have a number of industrial parks and suburban zones in the immediate vicinity, and they are also situated in close proximity to each other. However, Westports does not face significant competition from Northport for transhipment traffic as the northern approach into Port Klang, where Northport is located, is only 12 metres deep. MLOs sailing large container ships for transhipment containers which require a channel deeper than 12 metres have to enter Port Klang using the southern approach.

The Port of Singapore is the largest port in the Straits of Malacca, according to Drewry Maritime Advisors, and is operated by PSA Singapore with its hinterland including Singapore and southern states in Peninsular Malaysia. The Port of Tanjung Pelepas is located at the southern tip of Peninsular Malaysia, right next to Singapore, thereby competing for the same hinterland as the hinterland of the Port of Singapore. As Westports' hinterland covers mainly Kuala Lumpur and the central part of Malaysia, it does not generally compete for Import/Export traffic with the Port of Singapore or the Port of Tanjung Pelepas.

In addition, a majority of our customers who are shipping lines are increasingly investing in ports and in their own dedicated terminal facilities, thereby reducing the need for shipping lines to use third party terminals in which they have no previous investment or financial relationship. For details on the industry overview, refer to Section 8 of this Prospectus.

7.11 Seasonality

The container port industry has historically experienced monthly variations in revenue as a result of various holiday seasons, with revenue peaking prior to the Christmas season. In the past decade, these variations have resulted in monthly volatility in our operating results with revenues generally growing throughout the year with increases during certain holiday seasons.

In 2012, Westports' throughput has experienced steady growth throughout the year as a result of increased cargo shipments from Asia and the Middle East, which peaked as a result of the Chinese New Year and month of Ramadan, rather than solely as a result of the Christmas season, which in turn had caused an increase in throughput at various times throughout the year.

7.12 Customers

Our customers primarily comprise global container shipping lines and general cargo and car carriers. Although we have been diversifying our customer base over the past several years, our largest customer, CMA CGM Group contributed more than 10% of our total revenue for each of the three (3) years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2013. Apart from CMA CGM Group, no other customer had contributed 10% or more of our total revenue for the years ended 31 December 2010, 2011 and 2012 and six (6) months ended 30 June 2013.

The following table shows our revenue from CMA CGM Group for the periods indicated, in absolute terms and expressed as a percentage of our total revenue:

	Year ended 31 December						Six (6) months ended 30 June 2013	
Customer	**2010**		**2011**		**2012**			
	(RM '000)	**(%)**	**(RM '000)**	**(%)**	**(RM '000)**	**(%)**	**(RM '000)**	**(%)**
CMA CGM Group	240,813	24.1	267,417	19.3	279,049	18.7	139,893	18.7

We also coordinate logistics activities whereby we deal directly with transport companies, shippers and consignees.

While we are dependent on CMA CGM Group to a certain extent, other MLOs and customers have also made Westports their regional transhipment hub, namely, China Shipping Line Limited, United Arab Shipping Corporation, Gold Star Line Limited, Compania Sudamericana de Vapores and Emirates Shipping Line DMCEST.

We have long-standing relationships with our MLO customers, many of whom have been customers since the commencement of containerised operations at Westports. As the consolidation of the shipping line industry has resulted in a smaller pool of potential customers, we believe that such customer relationships are increasingly important to maintaining a steady revenue stream.

The nature of contracts in the container terminal industry can be characterised as long term. Typically, however, these contracts can be terminated at any time without penalty. As a general matter, shipping lines tend to change terminal operators only upon expiration of a contract, if at all, as many ports have limited selection of operators and are often tied to the hinterland served by a particular port.

We believe that among the important factors that our customers take into consideration when selecting a terminal operator are commitment to the provision of a fixed day berthing slot and defined crane productivity rates, which we believe we are well placed to deliver because of our operating efficiency. Our aim is to attract customers to longer term contracts by offering higher service efficiencies and faster turnaround time.

7.13 Sales and marketing

Our commercial and business development group is responsible for soliciting new customers to Westports and negotiating contracts and for customer service and management, in addition to finding ways to increase revenues from such existing customers. In order to project business demand in terms of volume, our commercial and business development group gathers historical data and communicates with our customers on a regular basis to better gauge and adjust our business demands. In addition, our commercial and business development group has set up a 24-hour customer service team to help solve any issues for our shipping line customers. Our commercial and business development group had an aggregate of 18 employees as of 30 June 2013.

7.14 Suppliers

Our main suppliers are those from which we purchase operational equipment, electricity and fuel. While we generally tend to use the same suppliers, we are not obligated to do so and there are numerous alternative suppliers and, as such, our business operations are not dependent on any of our suppliers. Only one (1) of our suppliers, our fuel supplier, Chevron Malaysia Limited ("**Chevron**"), accounted for approximately 10% or more of our total cost of sales for any of the three (3) years ended 31 December 2010, 2011 and 2012 and six (6) months ended 30 June 2013.

The following table shows the amount incurred by us for Chevron's services for the periods indicated, in absolute terms and expressed as a percentage of our total cost of sales:

Supplier	Nature/ type of service	Years of relationship	Year ended 31 December						Six (6) months ended 30 June	
			2010		2011		2012		2013	
			(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Chevron	Fuel Supplier	Approximately 10 years	51,734	11.9	86,286	11.0	75,125	9.1	34,450	8.6

We contract out certain aspects of our operations relating to prime mover maintenance and operation, reefer services, lashing services and stevedoring. For any such contracted service, we ensure that we have at least two (2) contractors available to carry out such services, such that if one (1) contractor is unable to provide services in a manner acceptable to us, the other would be able to take its place. Further, we also believe we have in-house capacity to carry out any contracted operations, if the need arises.

7.15 Research and development

We do not have any formal research and development facilities and systems or policies in place. As such, we have not incurred any material research and development expenditure for the years ended 31 December 2010, 2011 and 2012 and six (6) months ended 30 June 2013. However, we routinely conduct market research by speaking with our key shipping line customers to further understand the latest developments within the shipping industry which enables us to develop strategies to meet the needs of our customers. Furthermore, we conduct various discussions, programs and training throughout the year to improve the systems and operations of our Company.

7.16 Corporate social responsibility

Our corporate social responsibility programmes are dedicated to improving living standards in Pulau Indah, Port Klang through a four-pronged approach focused on poverty eradication, security and safety, education and recreation for children. We have worked towards these goals through a variety of programmes such as (i) funding subsistence allowance programmes for indigent single mothers, orphans and the elderly; (ii) installing CCTV cameras throughout the community and assisting the local law enforcement and emergency management services by supplementing them with additional staff and vehicles; and (iii) through regular involvement with schools to provide better training for teachers as well as focusing education on subjects that will best position children to become productive members of the local community. In order to manage our corporate social responsibility programmes, we employ an administrator to oversee such programmes.

7.17 Employees

As at the LPD, we have 3,826 employees, all of whom are full-time employees. The following table sets out the functional areas of these employees as of the dates indicated:

	As of 31 December			
	2010	2011	2012	As at the LPD
Container services	2,850	3,213	3,443	3,141
Conventional services	87	100	95	93
Marine services	31	36	37	43
Corporate services	416	462	444	467
Finance	49	49	50	53
Headquarters – Management	33	31	29	29
Total employees	**3,466**	**3,891**	**4,098**	**3,826**

Our employee headcount decreased by 272 to 3,826 employees as at the LPD from 4,098 employees as of 31 December 2012, mainly due to the outsourcing of certain operational activities. Our employee headcount increased by 207 to 4,098 employees as of 31 December 2012 from 3,891 employees as of 31 December 2011, mainly due to an increase in employees for operations related to the anticipated operation of CT6 Phase II in the first quarter of 2013. Our employee headcount increased by 425 to 3,891 employees as of 31 December 2011 from 3,466 employees as of 31 December 2010, mainly due to an increase in the number of crane manning personnel and the number of employees for the corporate services, with the latter increasing mainly due to an increase in the number of port police personnel relating to the completion of CT6 Phase I.

Our employees are engaged under a variety of employment arrangements, including mainly direct hires and third-party sourcing. Our workforce is not organised under any recognised union and almost all of our employees are Malaysian (with approximately 78% residing in Port Klang and Klang) and we intend to continue with the trend of hiring mostly local employees. We believe that local hiring is instrumental to our corporate culture and performance and is therefore worth the additional labour costs (compared to the costs incurred if foreign workers were hired instead). We have a motivated workforce which is subject to a productivity driven reward structure. In addition, we aim to help employees build long term careers within the company and also offer job rotation opportunities for employees to develop multiple skills. The average length of employment is approximately six (6) years, with approximately 26% of employees having been with us for over 11 years.

We currently do not have any collective bargaining agreements and we believe that we have a good relationship with our employees and have strong employee loyalty. As part of our initiative in maintaining a good relationship with our employees, we formed the Westport Joint Consultative Council ("**WJCC**") in August 2000 to provide a venue for our management to understand our employees' needs and more importantly, strengthen our employer-employee relationships. WJCC membership is open to all non-executive staff and currently has a membership of over 3,050 members. Among the fundamental areas of WJCC's focus include staff safety procedures, employee incentives, employee sports and recreational activities, terms and conditions of employment and employee suggestions and complaints.

For details on risk relating to work stoppages, refer to Section 5.1.24 of this Prospectus.

7.18 Training and development

We provide training for all employees, both executive and non-executive, upon hiring as well as throughout the course of employment. Non-executive employees are regularly trained in order to ensure that they are aware of the latest developments in port technology and operations as well as safety in relation to their positions. Executive employees also participate in continuing education, via a young executive programme and senior management programmes as well as external training programme, such as Harvard Business School programmes offered in Malaysia.

7.19 Legal proceedings

There are, and have been, no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which we are aware) during the 12 months preceding the date of this Prospectus that may have, or have had, a material effect on our financial position or profitability.

7.20 Interruptions to business for the past 12 months

There was no interruption to our business and operations which had a significant effect on operations in the 12 months preceding the date of this Prospectus.

7.21 Relevant laws and regulations governing our business

The main laws and regulations governing WMSB's operation and activities are summarised below. The following does not purport to be an exhaustive description of all relevant laws and regulations of which our business is subject to.

The business and operations of WMSB are governed principally by the Port Authorities Act and the Ports Privatisation Act, and are conducted pursuant to and in accordance with the terms and conditions of:

(i) the Privatisation Agreement, the description of which is as set forth in Section 7.23 of this Prospectus; and

(ii) the Port Licence.

7.21.1 Port Authorities Act

The PKA is a statutory corporation established on 1 July 1963 under the Port Authorities Act to operate and manage Port Klang. The PKA has the power to do all things reasonably necessary for or incidental to the discharge of its functions, and in particular:

(i) to undertake all or any work of every description of or in connection with the loading, unloading and storing of goods or cargo in the port, or authorise by way of licence any company, firm, person or persons to undertake such work, subject to such regulations or by-laws as the authority may from time to time make, and such licence may contain conditions which may include a condition that such work shall be undertaken under contract to the authority;

(ii) to construct, maintain, repair and use wharves, docks, piers and bridges within the limits of the lands vested in it, with all necessary and convenient arches, drains, culverts, fences, roads, railways and approaches;

(iii) subject to the Port Authorities Act, to levy such port dues and such general charges upon goods or cargo loaded and discharged in the port as it may deem necessary for the maintenance, improvement or development of the port; and

(iv) to undertake or grant licence on such conditions as the authority may think fit to any company, firm, person or persons to undertake, any activities in the port as may appear to the authority to be necessary.

In this regard, pursuant to the Privatisation Agreement, the GOM and the PKA have agreed (subject to the terms of the Privatisation Agreement and the Port Licence) to grant WMSB the right to:

(i) take over, provide and carry out the operation, maintenance, and management of the said port operations from the PKA;

(ii) plan, design, construct, test, commission, operate and maintain Westports;

(iii) charge the port users for the services that are provided and carried out pursuant to the said port operations,

for a period of 30 years commencing 1 September 1994 and expiring on the 30th anniversary of 1 September 1994. Subject to the fulfilment of certain obligations, the concession period may be extended by the Government and PKA for a further period of 30 years.

WMSB is also required pursuant to the Privatisation Agreement to comply with the Westports Development Plan and any other policies of the GOM and the PKA, and directives of the GOM. WMSB is also required to ensure that its management and all other employment structure shall be in line with the aspirations of the National Development Policy.

7.21.2 Ports Privatisation Act

The Ports Privatisation Act is the principal legislation which regulates the licensing of port operators and only operators licensed under the Ports Privatisation Act, such as WMSB, can undertake or manage port operations.

All licences issued under the Ports Privatisation Act stipulate terms and conditions under the licence including, the duration of the licence, the type of services and facilities to be provided by the licensee, the annual licence fee payable by the licensee, the particular duties of the licensee in respect of the services or facilities and any other conditions as the port authority think fit.

A breach of any condition of the licence or any failure to comply with any provision of the Port Privatisation Act or any regulations or by-laws made thereunder may result in administrative sanctions, including the suspension or revocation of the licence, prosecution of the licensee and/or the imposition of penalties. Where a licence is suspended or revoked and the port authorities consider that such revocation or suspension would materially affect the operations of the port, the port authority may take temporary possession of the port, manage port operations and in doing so may engage any employee of the operator.

Every licensed operator has reporting requirements and is required to submit a report of its operations and financial statements at the end of each financial year. A licensed operator shall also submit any statistical information and cargo forecast as may be required by the port authority and any future development plans relating to any service it is required to provide under its licence. A licensed operator shall also immediately inform the port authority of certain matters affecting its operations such as, amongst others, any industrial accident or mishap involving any employee of the licensed operator, any theft or pilferage within its premises or involving any cargo, any proceedings or claims made against the licensed operator which may affect its ability to perform any condition under the licence.

The salient terms attached to the Port Licence issued to WMSB are as follows:

(i) The Port Licence shall be personal to WMSB and WMSB shall not either wholly or partly assign any right or obligation granted to WMSB under this Port Licence but without prejudice to the right of WMSB to engage the services of any sub-contractor as WMSB may choose.

(ii) WMSB shall carry on the port operations in a businesslike manner conforming to a management performance standard relating to standard of facilities and services provided in respect of the port operations which shall be as established by the PKA taking into account the standards of world ports for compliance by WMSB. These performance standards which will be reviewed periodically in consultation with WMSB is to ensure that the facilities provided and the services rendered by WMSB is of high standard so as to ensure its attractiveness as an efficient, cost effective and a hub for main line direct calls. For this purpose, WMSB shall submit within 14 days from the date of request all relevant data and statistical information relating to the operation so as to enable the PKA to assess the degree of public benefit and attainment of GOM objectives and management efficiency.

(iii) WMSB shall comply with the Westports Development Plan, policies of the GOM and the PKA, operating standards and pollution control as may from time to time be specified by the GOM and the PKA and any other relevant government authorities applicable to the port and the operations of the port, all laws, bye-laws, regulations, and with all international conventions, ratified by or adhered to by the GOM and applicable to ports or port operations.

(iv) WMSB shall operate in competition with other operators and other ports in Port Klang and ensure that adequate shipping, port services and facilities are provided to all users, diligently market and promote the port, facilitate national trade, and make the port an "Entrepot" and load-centre for the region, and use every reasonable means and effort to ensure that main line vessels and ships call at the port.

(v) WMSB shall maintain all the facilities in the demised property and keep the demised property in good state of repair and condition in accordance with the terms and conditions of the Lease Agreement and the Westports Development Plan.

(vi) WMSB shall not make any alterations or additions to the demised property and underground services or to remove therefrom any of the properties of the PKA therein without the prior written consent of the PKA which consent shall not be unreasonably withheld.

(vii) WMSB shall not permit any unauthorised vehicles, person or persons or agents of any firm or company to be on the demised property.

(viii) Except for foreshore charges which shall be payable directly by the shipowners to the PKA, WMSB shall have the right to charge the users of the port for services rendered in accordance with any by-law under the Port Authorities Act and the Ports Privatisation Act. WMSB shall prepare and submit to the PKA a memorandum for any change in the existing structure of charges consistent with the best public interest in respect of the port operations under the Port Authorities Act.

(ix) WMSB shall not (whether in respect of the charges or other terms or conditions applied or otherwise) show undue preference to, or exercise undue discrimination against users of the port with regards to the use of the facilities and services provided by WMSB. WMSB may be deemed to have shown such undue preference or to have exercised such undue discrimination if it unfairly favours to a material extent so as to place users at a significant competitive disadvantage. Any question relating to whether any act done or course of conduct pursued by WMSB amounts to such undue preference or such undue discrimination shall be determined by the PKA, but nothing done in any manner by WMSB shall be regarded as undue preference or undue discrimination if done to the extent that WMSB is required to do that thing in that manner by or under any provision of this Port Licence.

(x) WMSB shall immediately inform the PKA of any change in the control of the management and policy of WMSB, industrial disputes and accidents within the demised property, outbreak of fire, incidence of theft of pilferage of cargo in custody and any legal proceedings against WMSB. For this purpose, WMSB may establish a working arrangement with the PKA to facilitate the submission of the required information.

(xi) The conditions of the Port Licence shall be subject to review every year or from time to time by the PKA to determine public benefit, degree of attainment of the objectives and efficiency. The PKA may add to, vary or revoke any conditions herein. In reviewing the conditions herein the PKA may, having due regard to the established management performance standard, consult WMSB.

7.21.3 Occupational Safety and Health Act, 1994 ("OSHA")

Under the OSHA, we have a general duty to our employees to provide and maintain systems of work that are, so far as is practicable, safe and without risks to health, provide information, instructions, training and supervision to ensure, so far as is practicable, the safety and health of our employees at work, and to provide a working environment, which is as far as possible safe, without risks to health, and adequate as regards to facilities for their welfare at work. We also have a duty to ensure, so far as is practicable, that other persons, not being our employees, who may be affected thereby are not exposed to risks to their safety or health.

As we employ more than 100 employees, we are obliged under the OHSA to employ a safety and health officer, who is tasked with ensuring the due observance of the statutory obligations as regards to workplace health and safety and the promotion of a safe conduct of work at the place of work. We have set up a health and safety committee, which we consult in promoting and developing measures to ensure the safety and health at the place of work of the employees and in checking the effectiveness of such measures.

We may be subject to fines and penalties if we fail to comply with any provision or regulation under the OHSA.

7.21.4 Environmental Quality Act, 1974 ("EQA")

The EQA restricts pollution of the atmosphere, noise, pollution, pollution of the soil, pollution of inland waters without a licence, prohibits the discharge of oil into Malaysian waters, discharge of wastes into Malaysian waters without a licence and prohibits open burning. The agency responsible for implementing and monitoring Malaysia's environmental regulations and policies is the Malaysian Department of Environment and the local environmental authority.

If WMSB fails to adhere to provisions of the EQA or any regulations made thereunder, any person who at the time of the commission of an offence was a director, chief executive officer, manager, or other similar officer of WMSB shall be deemed to be guilty of that offence. For example, where a person, unless licensed, deposits any environmentally hazardous substances, pollutants or wastes into any inland waters, that person shall be guilty of an offence and shall be liable to a fine not exceeding one hundred thousand ringgit or to imprisonment for a period not exceeding five (5) years or to both.

7.21.5 Factories and Machinery Act, 1967 ("FMA")

The FMA governs the registration and inspection of cranes and other machinery used by WMSB in their day-to-day operations. WMSB has a duty to ensure that the machineries used in carrying out their operations are in good condition and must be registered under The Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations 1970. In this regard, WMSB is not allowed to operate or permit to be operated any machinery in respect of which a certificate of fitness is prescribed, unless there is in force in relation to the operation of that machinery, a valid certificate of fitness issued by the Department of Occupational Safety and Health.

Any person who operates machinery without a valid certificate of fitness shall be guilty of an offence and shall be liable to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding three (3) years or to both.

7.22 IT and operating systems

Our IT systems complement our terminal facilities and infrastructure to facilitate a smooth flow of traffic and transactions. The container terminal operations system, COSMOS, controls every aspect of Westports' operations, from documentation and EDI system to planning of gate, yard and vessel, and subsequently real time assignments of equipment. To supplement COSMOS, we utilise our e-Terminal Plus which provides a comprehensive interface for the entire port community. The e-Terminal Plus portal serves as a gateway to all customers and industry parties to facilitate port operations. For instance, the e-Terminal Plus allows customers to track cargo at Westports and manage various services, such as demurrage, while also making certain processes, such as the issuance of gate passes, more secure and efficient.

We also utilise our NGCCS, to cover the full automation of all non-containerised cargo activities, from wharf operation to billing. NGCCS' comprehensive EDI system also enables fast exchange of information between us and our customers to facilitate paperless documentation for shipping agents, freight forwarders and cargo transporters.

To complement our e-Terminal interface, we have also implemented e-bidding, e-procurement and e-billing in our business transactions. We won the "*Gold Award for IT*" as the most efficient e-terminal port chosen among 50 ports worldwide by the IAPH in May 2007.

Although we utilise several IT systems in our daily operations, when any of these systems has temporarily failed in the past, our wharf operations only experienced minor delay as our employees have been trained to be able to operate Westports' terminals on a manual basis.

7.23 Highly dependent contracts

Except as disclosed below, there are no material contracts, agreements, arrangements or other matters which have been entered into by us which we are highly dependent on:

(i) The Privatisation Agreement

The GOM, PKA and WMSB had entered into the Privatisation Agreement for the development of Westports in accordance with the Westports Development Plan which include the planning, design, construction, testing, commissioning, operation and maintenance of the facilities in respect of the business of operating, managing, maintaining and providing operational facilities and services to port users with regards to container terminal operations, dry and liquid bulk cargo handling, conventional cargo handling, break bulk cargo handling, fire fighting and prevention services and security services in the Westports areas and also tug operations, marine services at Westports ("**Port Business**").

Pursuant to the Privatisation Agreement, WMSB was granted the rights and licence to:

(a) take over, provide and carry out the operation, maintenance, and management of the Port Business from the PKA;

(b) plan, design, construct, test, commission, operate and maintain Westports;

(c) charge the port users for the services that are provided and carried out pursuant to the Port Business. WMSB may apply to the PKA to amend or introduce charges from time to time in accordance with the provisions of the Port Authorities Act and the Ports Privatisation Act subject always to any further regulatory framework as may be established by the GOM, for a period of 30 years commencing 1 September 1994 ("**Take Over Date**") and expiring on the 30th anniversary of the Take Over Date ("**Concession Period**"). The Concession Period may be extended by the GOM and the PKA for a further period of 30 years if the following obligations are met by WMSB:

   (a) the completion of the reclamation of land and incidental works for CT6 until CT9 on or before 1 January 2014; and

   (b) the completion of construction works for CT6 to be fully operational on or before 1 January 2014.

(collectively, "**Conditions For Extension**")

The fulfilment of the Conditions For Extension shall be inspected and verified by the PKA, followed by the issuance of a notice by the PKA (with the concurrence of the GOM) to confirm that the Concession Period has been extended. Following such extension, an agreement supplemental to the Lease Agreement may be entered into for the purpose of revising the amount of lease rentals payable in accordance with the prevailing market value to be determined by Valuation And Property Services Department and after taking into consideration the cost of facilities financed by the GOM.

However, if the Conditions For Extension are not fulfilled within the stipulated time period, then the Concession Period shall expire on the last day of the 30th anniversary of the Take-Over Date. Upon the expiration of the Concession Period, WMSB is required to hand over the Port Business and all structures and facilities on the demised property at no cost to the PKA in a well maintained and operational working condition (normal fair wear and tear excepted).

In consideration of WMSB taking over the Port Business, WMSB is required to pay to the PKA the annual profit sharing calculated at RM1.00 per TEU for containerised cargo and RM0.10 per tonne for conventional cargo handled by WMSB annually. Additional charges at the rate of 8% per annum calculated on a daily basis may be imposed for late payment.

The Privatisation Agreement imposes certain conditions in connection with the shareholding structure of WMSB. For instance:

(a) the Privatisation Agreement requires that the Memorandum and Articles of Association of WMSB be amended to ensure that one (1) special share with the attendant right to appoint one (1) director nominated by the MOF Inc. and the right to resolve upon certain important matters be issued to the MOF Inc. who shall hold such share on behalf of the GOM. For further details on the Special Share, please refer to Section 6.5 of this Prospectus.

(b) Further to that, WMSB is also required to maintain certain shareholding structure that may be changed only if the prior approval of the GOM is obtained. The GOM's approval (through UKAS) is also required if WMSB intends to apply for its shares to be listed and quoted on the Official List of Bursa Securities and to make any change to its shareholding structure for such purpose.

The terms of the Privatisation Agreement requires (among others) that the following be complied with by WMSB:

(a) WMSB should comply with the Westports Development Plan, policies of the GOM and the PKA, other directives of the GOM and that its management and all other employment structure shall be in line with the aspirations of the National Development Policy.

(b) The GOM and/or the PKA are entitled to conduct operational and financial audits and if the GOM and/or the PKA is of the opinion that the operational and financial audits reveal that the business is not being profitably or effectively managed, then the GOM and/or the PKA may require WMSB to improve the performance of the Port Business to the satisfaction of the GOM and/or the PKA (in consultation with WMSB). Any failure to meet these requirements may be deemed to be a breach of WMSB's obligations under the Privatisation Agreement.

(c) That the Bumiputera participation in respect of any contracts entered into by WMSB with third parties, both local and international, for supplies, services and works, shall be at least 30% of the aggregate value of such contracts and that the counterparties to such contracts shall not be related or associated directly or indirectly with WMSB or the shareholders of WMSB. Furthermore, WMSB shall not appoint any foreign professionals or foreign companies as consultants unless the GOM is satisfied that the services sought to be procured from such professional or companies as consultants are not presently available in Malaysia.

(d) WMSB, its personnel, servants, agents or employees should not be involved in corruption or unlawful or illegal activities in relation to this Privatisation Agreement or any other agreements that WMSB may have with the GOM. Otherwise, the GOM is entitled to terminate the Privatisation Agreement by giving immediate written notice to that effect to WMSB. Upon such termination, the PKA and the GOM are entitled to all losses, costs, damages and expenses (including any incidental costs and expenses) incurred by the PKA and the GOM arising from such termination.

(e) WMSB is required to comply with all relevant laws, standards, criteria and GOM policies on matters relating to the conservation of the existing environment in carrying out the Port Business and in all matters relating to the Privatisation Agreement. WMSB should take every reasonable precaution which may be expedient or necessary to prevent pollution and adhere to all environmental requirements, terms and conditions pertaining to pollution controls, discharge of effluent and like matters which are required by any act, ordinance, by-laws, regulations and rules.

(f) WMSB should maintain good working and commercial relationship with other ports in Malaysia and shall comply with any understanding or agreement between the GOM and other port authorities in Malaysia on national policies, joint technical, safety and navigation matters.

There are several circumstances pursuant to which the Privatisation Agreement may be terminated. These include:

(a) if WMSB is in default or commits any breach of any provision or obligation or covenant or warranty or undertaking under the Privatisation Agreement, the Lease Agreement or the Port Licence (which is not remedied within 60 days from the date they become aware of the default);

(b) if WMSB resolves or proposes to go into voluntary liquidation;

(c) if upon the presentation of a winding-up petition, WMSB knowingly or wilfully refuses to defend such petition (and such petition shall not have been withdrawn within 60 days from the date of the filling of such petition);

(d) if any execution or distress is levied or made against a substantial part of the assets and property of WMSB and not remedied within 60 days of such execution or distress being levied or made; or

(e) if a compulsory winding-up order has been made against WMSB.

In the event of termination pursuant to such circumstances, WMSB may also be required to pay to the PKA, damages for all losses that may be suffered by the PKA. All other moneys paid to, or earned by the PKA pursuant to the Port Licence and the Lease Agreement will be forfeited to the PKA. However, the PKA is not liable for any losses and damages suffered by WMSB arising from the event of default by WMSB under the Privatisation Agreement, the Lease Agreement and the Port Licence.

Notwithstanding the foregoing, the Privatisation Agreement allows the GOM to terminate the Privatisation Agreement by giving not less than three (3) calendar months' notice to that effect to WMSB (without any obligation to give any reason thereof) if it considers that such termination is necessary for national interest, in the interest of national security or for the purpose of GOM policy or public policy. Upon such termination, WMSB is entitled to compensation as determined by an independent auditor appointed by the GOM after due consultation with the PKA. In this regard, what constitutes "national interest", "interest of national security", "government policy" and "public policy" is solely determined by the GOM and such determination is for all intent and purpose final and conclusive and may not be challenged.

The GOM and/or the PKA are entitled to indemnity by WMSB, for and against (among others) all actions, suits, claims or demands, proceedings, losses, damages, compensation, costs (including legal costs), charges and expenses made against the GOM and/or the PKA in connection with the Port Business or any omission or act by WMSB, (including its employees, agents or any person authorised by WMSB) in respect of the Port Business.

The terms of the Privatisation Agreement are subject to review by the GOM, at least once every five (5) years or any other intervals as the GOM may deem necessary. Following such review, the terms and conditions of the Privatisation Agreement may be modified or amended by the parties.

(ii) The Lease Agreement

The PKA and WMSB had entered into the Lease Agreement whereby WMSB was granted a lease on all those parcels of land measuring in area approximately 1,202.18 acres in the Daerah of Klang, Mukim Klang/Pulau Indah, Selangor Darul Ehsan for a term of 30 years with effect from 1 September 1994.

WMSB has an option to extend the lease (if there is no subsisting breach of any of WMSB's obligations under the Lease Agreement). However, such option is subject to the PKA's agreement for such extension.

Upon the Concession Period being extended to 2054, we expect that the term of the Lease shall also be extended to follow the term of the extension of the Concession Period.

The total lease rentals for the period of 1995 to 2024 are payable in accordance with the payments schedule annexed to the Lease Agreement which is approximately RM1.1 billion. However, in connection with certain land reclamation works that were undertaken pursuant to the Supplementary Privatisation Agreement dated 27 March 1999, the PKA has agreed to grant WMSB moratorium for certain payments of lease rental and land lease rental.

There are several circumstances pursuant to which the Lease Agreement may be terminated. Such circumstances include (among others) the following events:

(a) If the Privatisation Agreement or the Port Licence is terminated.

(b) If WMSB discontinues the Port Business on the demised property (except where such discontinuance and cessation is brought about by force majeure or event beyond the control of WMSB).

(c) If the PKA in the national interest at any time requires the demised property or any part thereof, then the PKA may at any time during the lease period terminate the lease by giving not less than 12 calendar months' notice in writing to WMSB. In such event, WMSB is entitled to compensations for the remaining period of the unexpired term of the lease and for the fixtures, if any erected or constructed on the demised property (subject to valuation to be agreed upon between the PKA and WMSB).

The PKA is entitled to review the provisions of this agreement once in every five (5) years or at any other intervals as the PKA deems necessary.

On the expiry of the lease, all the buildings and fixtures erected by WMSB on the demised property shall, without any payment by the PKA, become the property of the PKA.

7.24 Relationship between our Group and the PKA

The PKA's role as the regulator of Port Klang derives its authority from and performs its functions in accordance with the Port Authorities Act and the Ports Privatisation Act. In this regard, in tandem with the GOM's policy to infuse private sector management in various GOM owned or controlled undertakings in the country:

(i) the GOM and the PKA have granted WMSB pursuant to the Privatisation Agreement, the rights to take-over, operate, manage and develop Westports; and

(ii) the PKA has granted WMSB a licence under the Ports Privatisation Act, to operate, manage and maintain Westports,

for a concession period of 30 years commencing 1 September 1994 and expiring in 2024. Subject to the fulfilment of certain obligations under the Privatisation Agreement, the concession period may be extended by the GOM and the PKA for a further period of 30 years. In addition, the Privatisation Agreement stipulates that WMSB is to adhere to the Westports Development Plan, which essentially sets out the current and future construction and development milestones for Westports. For further details on the Privatisation Agreement, refer to Section 7.23(i) above.

In consideration of the rights granted to it, WMSB agrees to pay the PKA the annual profit sharing calculated at RM1.00 per TEU for containerised cargo and RM0.10 per tonne for conventional cargo handled by WMSB annually.

In connection with the Privatisation Agreement, WMSB has also entered into the Lease Agreement for the lease of the land measuring approximately 1,202.18 acres in the Daerah of Klang, Mukim Klang / Pulau Indah, Selangor Darul Ehsan, for a period of 30 years from 1 September 1994. For further details on the Lease Agreement, refer to Section 7.23(ii) above.

7.25 Properties, plant and equipment

Details of the material properties, plant and equipment owned and leased or occupied by our Group are set out in Annexure A of this Prospectus.

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(Prepared for inclusion in this Prospectus)

6 SEPTEMBER 2013

Drewry

The Board of Directors
Westports Holdings Berhad
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Dear Sirs/Madams,

Executive Summary of the Independent Market Research Report on the Port Industry in Malaysia and Southeast Asia for Westports Holdings Berhad ("WHB")

We, Drewry Maritime Services (Asia) Pte Ltd ("Drewry Maritime Services"), have prepared the Executive Summary of the Independent Market Research Report on the Port Industry in Malaysia and Southeast Asia ("Report") for inclusion in WHB's Prospectus dated 19.9.2013 ("Prospectus") in relation to the initial public offering and the listing of and quotation for the entire issued and paid-up share capital of WHB on the Main Market of Bursa Malaysia Securities Berhad ("IPO").

We are aware that this Report will be included in the Prospectus and we further confirm that we are aware of our responsibilities under section 214 of the Capital Market and Services Act, 2007.

The market research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research, which involves discussing the status of the industry with leading industry participants and industry experts. The research methodology used has been developed by Drewry and it is refined time to time as per changes in market dynamics. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in the business and industry climate.

We acknowledge that if we are aware of any significant changes affecting the content of this Report between the date hereof and the issue date of the Prospectus, we have an on-going obligation to either cause this Report to be updated for the changes and, where applicable, cause WHB to issue a supplementary prospectus, or withdraw our consent to the inclusion of this Report in the Prospectus.

Drewry Maritime Services has prepared this Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the Report. We believe that this Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Drewry Maritime Services shall not be held responsible for the decisions and/or actions of the readers of this Report. This Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this Report or otherwise.

For and on behalf of Drewry Maritime Services (Asia) Pte Ltd:

Jayendu Krishna
Senior Manager

Drewry Maritime Research | Drewry Maritime Advisors | Drewry Supply Chain Advisors | Drewry Maritime Equity Research

LONDON | DELHI | SINGAPORE | SHANGHAI

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t: +65 6220 9890 f: +65 6220 8258 e: enquiries@drewry.co.uk

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Drewry

This market research was completed on August 26, 2013.

For further information, please contact:

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Drewry Maritime Research Drewry Maritime Advisors Drewry Supply Chain Advisors Drewry Maritime Equity Research

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INDUSTRY OVERVIEW

All the information and data presented in this section, including the analysis of the Southeast Asian/Malaysian container/conventional port market has been provided by Drewry Maritime Advisors, or Drewry. Drewry has advised that the statistical and graphical information contained herein is drawn from its database and other sources. In connection therewith, Drewry has advised that:

- *Certain information in Drewry's database is derived from estimates or subjective judgments;*
- *The information in the databases of other maritime data collection agencies may differ from the information in Drewry's database;*
- *While Drewry has taken reasonable care in the compilation of the statistical and graphical information and believes it to be accurate and correct, data compilation is subject to limited audit and validation procedures; and*
- *This section also contains forward looking statements which are based on simplifying assumptions and current and expected market dynamics. The actual figures may vary as the market dynamics is ever changing. Drewry cannot be held liable for the realisation of its forecasts.*

Drewry's methodologies for information and data collection, and therefore the information discussed in this section, may differ from those of other sources.

MARKET OVERVIEW

Summary

- *Over the last two decades, world container port throughput has grown more than six times over at a compound annual growth rate ("**CAGR**") of 10%*
- *The Far East region (as defined herein) has emerged as the dominant region in global container trade with a share of 39% in 2012, out of which 66% of traffic is contributed by China. The share of Southeast Asia ("**SEA**") in global container trade was around 14% in 2012*
- *The Far East and SEA regions are each expected to add more additional twenty-foot equivalent units ("**TEUs**") between 2012 and 2015 than any other region in the world*
- *11 out of the top 15 container ports are in Asia, of which six are in China and two are in the SEA region, namely Singapore and Port Klang*
- *The financial performance of container port operators has been fairly stable compared to that of container shipping lines, which underwent extreme volatility during the recent economic downturn. Port operators have been able to maintain operating margins by virtue of long term contractual rates and through cost reduction while shipping lines have faced freight volatility and rising costs*

History and development

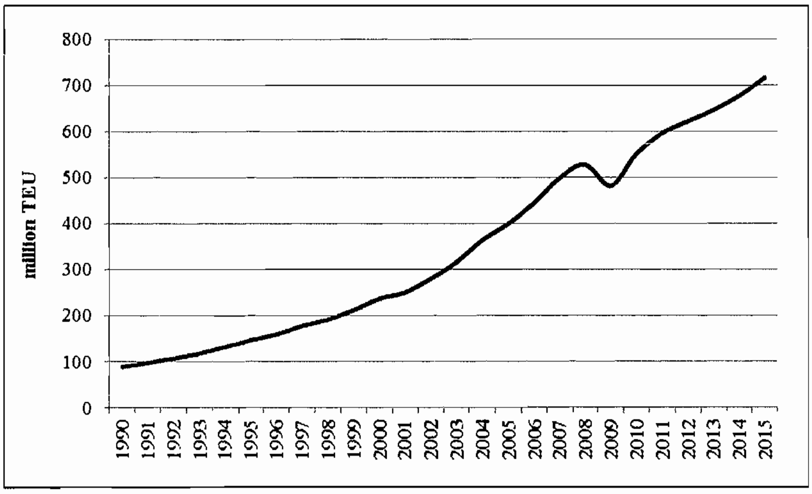
Containerisation as a mode of transportation started in late 1950s. Due to the convenience and cost effectiveness both in terms of time and cost, this mode of transportation was widely adopted throughout the world in a short span of time and specialised ports with specialised cargo equipment were built to handle containers. Both semi-finished as well as finished goods are shipped by these containers via road, rail and sea without reshuffling the actual goods inside the containers at transit points between the various modes of transportation with minimal time and cost.

Coverage of containerisation has expanded to a wide spectrum of products including industrial products, chemicals, agricultural commodities, raw materials, certain liquids, refrigerated goods and project cargo. Container trade originated from the general cargo sector. However, in present times it has also made its presence in some bulk commodities as it has an edge over other modes of transportation in terms of convenience, cost, flexibility, efficiency and the productivity of the entire supply chain.

Container market development

As illustrated in Figure 1 below, global container throughput increased at a CAGR of 8.4% from 2000 to 2012 and is the fastest growing sector of international shipping. Until 2008, global container trade showed continuous growth. The global economic downturn in late 2008 and 2009 adversely affected trade, resulting in a year-on-year decline in global container throughput of 9% in 2009. Nevertheless, the market recovered in 2010 and global container throughput improved by 15% and 4% over 2009 and 2008 respectively with volumes continuing to grow since.

Figure 1: Historical and forecast global container port throughput 1990-2015 (million TEUs)

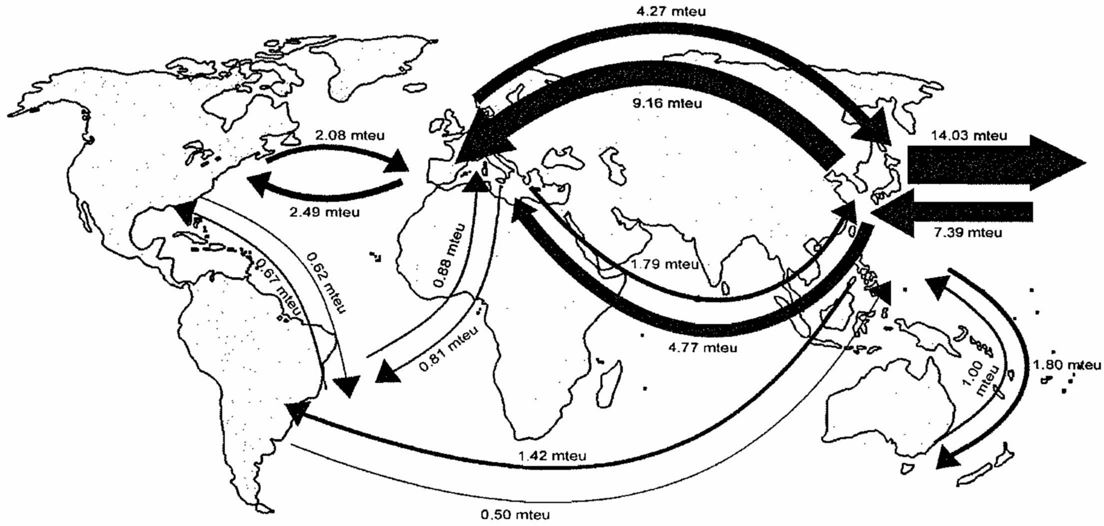


Source: Drewry Maritime Advisors
Note: Includes empty containers and transhipment. 2013-2015 data represents estimates

Principal container trade flows

Global container trade volume is classified into two broad groups – inter-regional trade and intra-regional trade (e.g. intra-Asia trade). Depending on the movement of merchandise, inter-regional trade is further divided into East-West and North-South trade. The East-West trade is the largest in terms of container flow, accounting for 32% of global loaded container movement in 2011. Major trade routes within East-West trade are the Transpacific, Transatlantic, Far East-Europe and Asia-Mediterranean trade routes. Intra-Asia trade has grown to become the single largest regional trade in the world. At the country level, China alone accounted for 26% of global container traffic in 2011 compared to just 12% in 2002. Figure 2 below illustrates the principal container trade flows in terms of million TEUs ("**mteu**").

Figure 2: Principal container trade flows (2011)



Source: Drewry Maritime Advisors

In terms of global container trade, the Far East region has emerged as the leading activity centre. As shown in Table 1, the Far East region's share of global port container throughput has increased over time, reaching 39% in 2012. The share of SEA has remained constant around 14% since early 1990s, growing at a similar rate to global container trade. On the other hand, the share of developed regions like Western Europe and North America is on the decline; the share of Western Europe declined from 21% of global container throughput in 2002 to around 15% in 2012. Similarly, the share of North America has declined from 12% of global container throughput to 7.6% over the same period.

Global container throughput is projected to grow at 5-6% per annum from 2012 to reach 678.2 million TEUs by 2014. Growth is projected to slow thereafter with global container throughput reaching 716.8 million TEUs by 2015, though growth will be driven primarily by the Far East and SEA regions; we expect that these two regions will contribute more additional TEUs to global container trade than any other region in the world between 2012 and 2015.

Table 1: Global container throughput by major region (million TEUs)

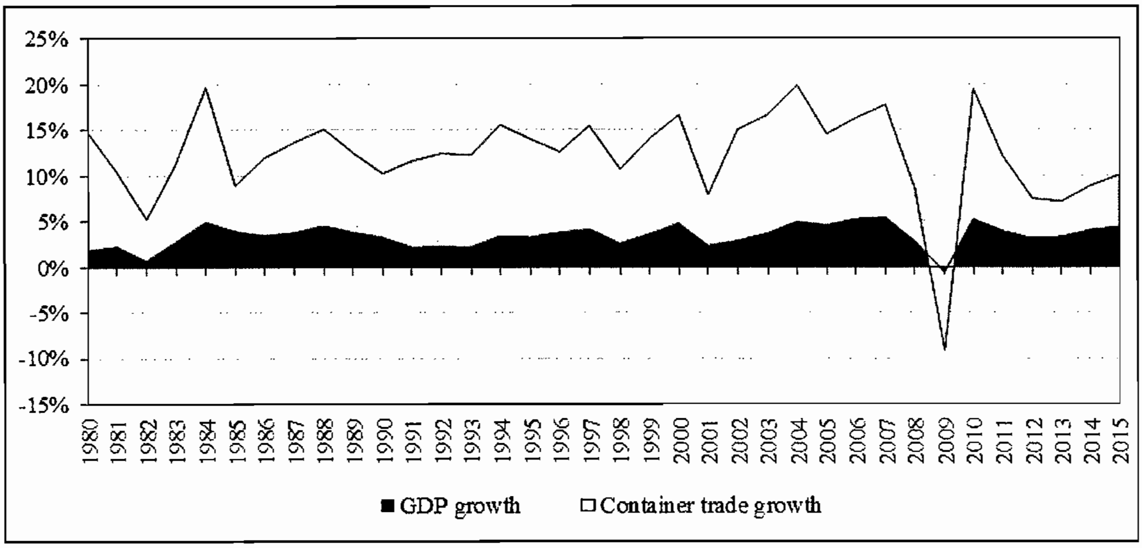
Region	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013(6)	2014(6)	2015(6)	Historical CAGR (2002-2012)	Forecast CAGR (2012-2015)
North America	34.2	37.5	40.8	44.5	46.9	47.9	45.8	39.9	45.4	46.2	47.3	48.6	50.2	52.2	3.3%	3.3%
Western Europe	57.7	63.1	70.9	75.5	81.0	90.3	91.2	78.7	86.5	92.4	94.7	98.9	97.7	100.7	5.1%	2.1%
Far East(1)	89.5	104.2	122.8	138.2	158.3	181.0	194.0	178.7	210.2	231.2	243.6	257.0	272.5	290.4	10.5%	6.0%
SEA(2)	41.4	45.9	51.8	55.1	59.9	68.0	71.8	67.4	76.3	82.7	87.2	91.6	96.6	102.0	7.7%	5.4%
Middle East	13.8	16.5	20.1	22.4	24.5	27.5	32.6	31.2	34.5	36.5	39.4	41.0	43.3	45.8	11.1%	5.2%
Latin America	19.3	21.5	25.2	27.9	32.0	35.4	37.4	34.6	39.8	43.9	46.3	48.0	50.5	54.0	9.1%	5.3%
Oceania(3)	6.0	6.5	7.3	7.5	7.9	8.7	9.4	8.9	9.5	10.2	10.5	10.8	11.3	11.7	5.8%	3.7%
South Asia(4)	6.6	7.3	8.6	9.8	11.5	13.6	14.8	14.0	16.8	17.6	17.6	17.9	18.3	19.1	10.3%	2.8%
Africa	9.0	10.8	12.1	13.9	15.6	17.6	21.0	21.1	23.7	25.2	25.4	26.1	27.4	29.4	10.9%	5.0%
Eastern Europe	1.9	2.4	3.1	4.3	5.4	7.2	8.1	5.1	6.7	8.3	9.0	9.6	10.4	11.5	16.8%	8.5%
World(5)	279.4	315.7	362.7	399.1	443.0	497.2	526.1	479.6	549.4	594.2	621.0	649.5	678.2	716.8	8.3%	4.9%

Source: Drewry Maritime Advisors
Notes:
(1) Far East includes Guam, Hong Kong, Japan, China (People's Republic of), Russia (Sea of Japan coast), South Korea and Taiwan
(2) SEA includes Brunei, Cambodia, Indonesia, Malaysia, Myanmar (Burma), Philippines, Singapore, Thailand and Vietnam
(3) Oceania includes Australia, New Zealand, New Caledonia, Samoa Tahiti, Tuvalu, Vanuatu and Papua New Guinea
(4) South Asia includes India, Pakistan, Bangladesh and Sri Lanka
(5) Global container throughput includes transhipment and empties
(6) 2013-2015 figures represent estimates

Drivers of container trade

A strong relationship exists between economic growth and container trade; changes in economic activity change the volume and spatial distribution of global container trade. As illustrated in Figure 3 below, the historical relationship between gross domestic product ("**GDP**") at current prices and global container shipping volume suggests that every percentage change in GDP at current prices has led to a 3% change in global container shipping volume over the period 1980 to 2012.

Figure 3: Historical and forecast world economic growth and container trade growth (% change year-on-year)



Sources: International Monetary Fund ("IMF") & Drewry Maritime Advisors

Table 2: Key drivers of container trade

Period	Key drivers	Impact on container trade
1980-1990	Trade liberalisation (General Agreement on Tariffs and Trade): container trade predominantly between developed nations.	CAGR 8%
1991-2000	Greater global integration in container trade. New and emerging markets.	CAGR 10%
2000-2008	China becomes World Trade Organisation member in 2001 and United States recession	CAGR 11%
2009	Global financial crisis	Container trade declined by 9%
2010-2011	Recovery: container volumes increase in several regions and major ports.	CAGR 8%

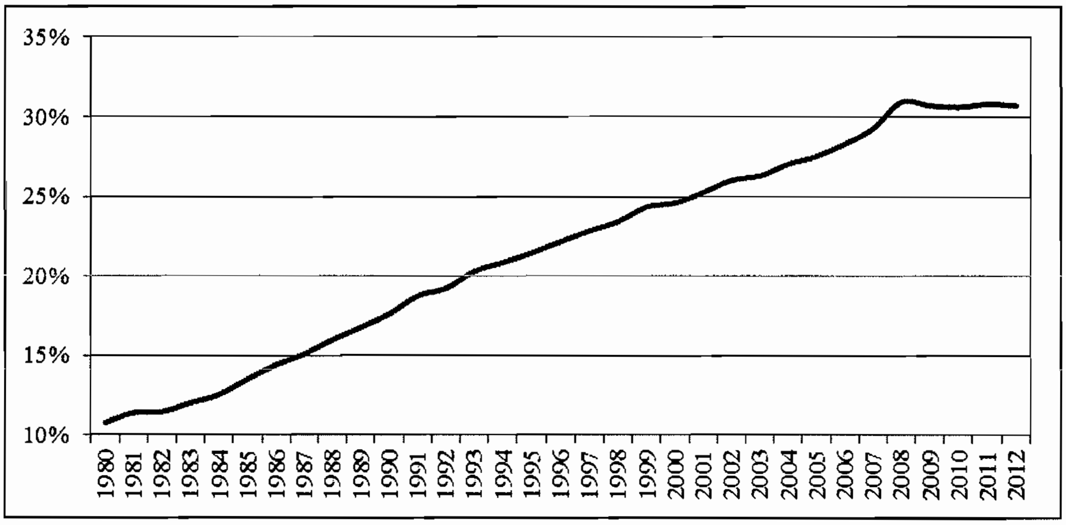
Source: Drewry Maritime Advisors

Types of container traffic

Container terminals handle two categories of container traffic. The first category includes containers originating from and destined to the ports' hinterland; this type of cargo is termed "local", "Import/Export" or "gateway" traffic as the port/terminal acts as a gateway, interfacing between the container market abroad and the domestic hinterland.

The second type of traffic is transhipment cargo; for this type of cargo, the concerned port/terminal acts as a transit point between the origin and the destination ports located either in the same country or in a different country. This cargo is transhipped from one vessel to another vessel in order to reach its destination. Transhipment was initially used as a means of serving small ports at which main line vessels were not able to call; feeder vessels were used to carry containers to the regional hub port in the region and from there the main line vessels carried the containers to their destination ports or to another hub port in the destination region. In order to increase the markets served and to reduce overall network costs, shipping lines have increased the use of transhipment since the 1990s. As illustrated in Figure 4 below, these trends have led to an increase in the share of transhipment globally from 18% in 1990 to an estimated 31% of total container port throughput in 2012. Going forward until 2015, the share of transhipment in total container trade is expected to remain consistent with current levels.

Figure 4: Rising incidence of container transhipment



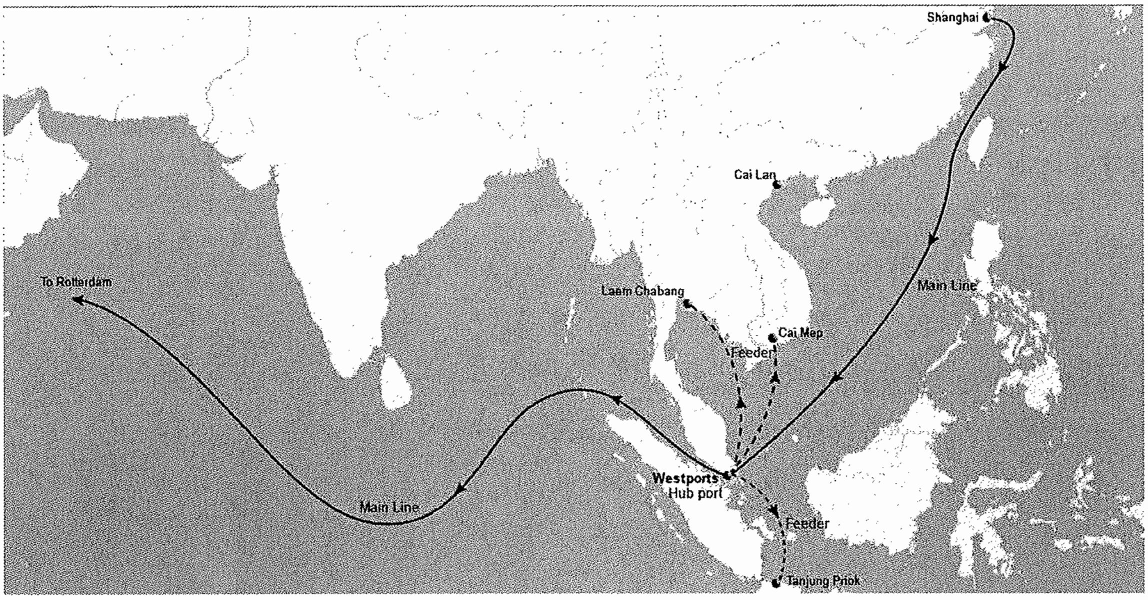
Source: Drewry Maritime Advisors

Primary models of transhipment of containers

As far as transhipment of containers is concerned, there are two primary models followed globally, namely a) Hub and spoke; and b) Relay.

As shown in Figure 5, in hub and spoke transhipment, one port acts as a transhipment "hub" with many smaller ports around it called "spoke" ports. Main line vessels call on the hub port and load/discharge containers destined for or originated from the smaller spoke ports located around this hub port. The container movement between the hub and the spoke ports is undertaken by feeder vessels.

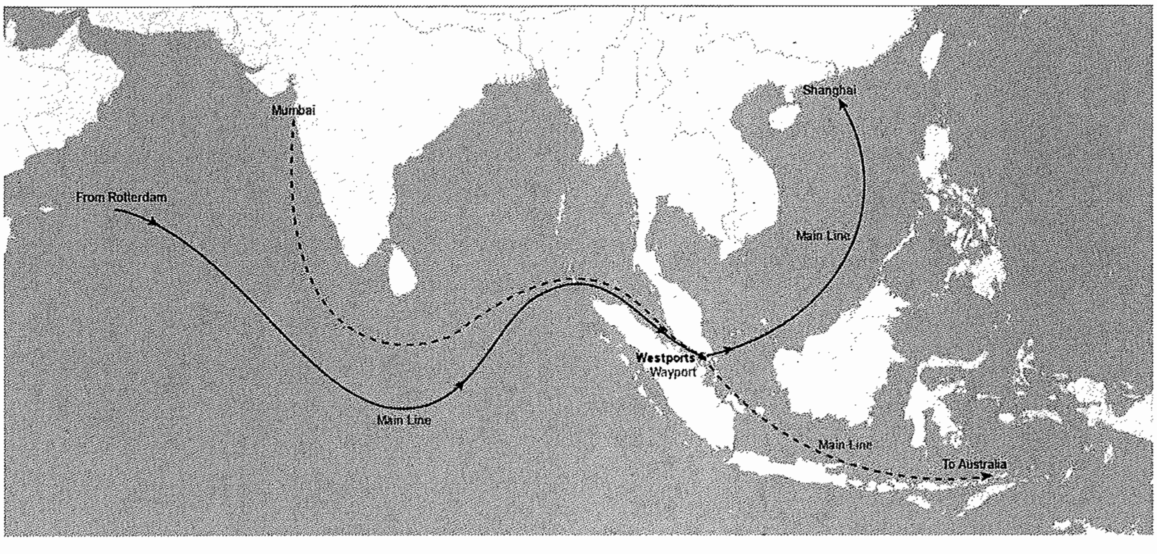
Figure 5: Hub and Spoke Transhipment Model



Source: Drewry Maritime Advisors

Within the transhipment market, the nature of competition varies. Hub and spoke transhipment relies on the proximity of the hub port to spoke ports, usually requiring the ability to make a round trip with a feeder vessel in a week. As shown in Figure 6 below, relay transhipment involves two main haul/main line vessels that tranship at a port at which both vessels call. The container is discharged by the first main haul vessel at the way port and same container will be relayed by the second main haul vessel bound for the final destination.

Figure 6: Relay Transhipment Model



Source: Drewry Maritime Advisors
Note: Wayport is defined as a port where one mainline vessel unloads containers. Subsequently other mainline vessel carries the same container to the final destination.

Port Klang is also used as a relay hub by many shipping lines to tranship containers originating from Hong Kong, Taiwan, Philippines, Vietnam, China, Middle East, Egypt, Japan, Korea, and the Indian sub-continent.

Market dynamics

Most ports in the world are built and operated by a mechanism which involves both public and private players; a public authority invites expressions of interest from private investors to build and operate the container terminal for a fixed time period. Different statutory/regulatory requirements must then be met before any container terminal operator starts construction of and operation at the container terminals, including environment clearances, security clearances etc.

Apart from the statutory/regulatory barriers, container terminal operators must also consider the potential and connectivity of the port's hinterland if the goal is to create a gateway port. For a transhipment terminal, the locational factor matters the most; proximity to the main trade lane is seen as beneficial. The cases in point could be Westports, Port of Singapore or Port of Tanjung Pelepas ("**PTP**"), which are all located in the Straits of Malacca along the major East-West trade lane and thus all benefit in terms of transhipment volume.

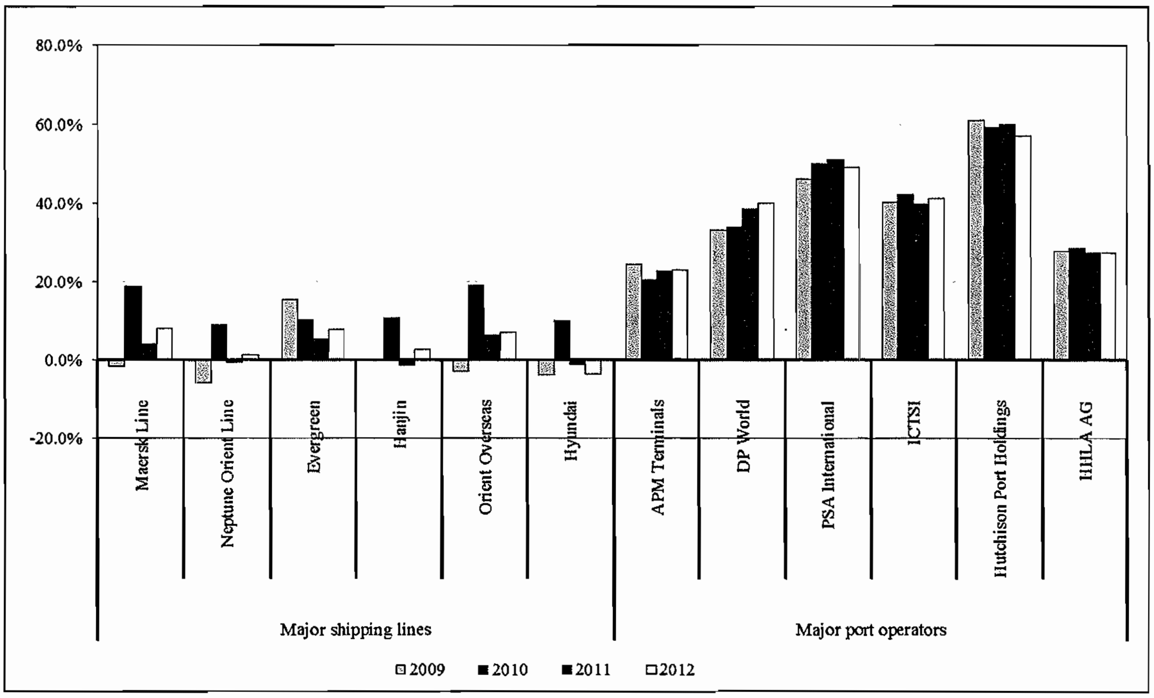
Container port operators and shipping lines

Container ports and shipping lines share the same containers as part of their respective operations but are structurally very different. Shipping lines provide the service of transporting goods by means of high capacity, such as ocean going ships that transit regular routes on a fixed schedule. On the other hand, container terminals are facilities where cargo containers are transhipped between different modes for onward transportation.

In terms of market structure, shipping lines operate in an integrated market spread across the globe. Therefore, factors in one local/regional market affect the overall shipping market. On the other hand, as container terminal operators operate in a more consolidated geographical region, factors in one local/regional market have less of an impact on their operations in each individual market (if operating in multiple locations within or outside the country). As a result, shipping lines operate in a highly competitive business environment whereas the container terminal operators operate in a less competitive environment due to immobility of resources.

Operating profit margins of the shipping lines are highly correlated to the prevailing charter market. For example, vessels chartered by the shipping lines during a normal or high market, especially under long term charters, will result in very low or negative profit margins for the shipping lines during bearish markets or a recession when the demand for shipment/goods decreases. During the 2009 global financial crisis when container trade volumes dropped by 9%, shipping lines incurred losses estimated at USD15 billion in aggregate. However, as Figure 5 shows, global container port operators were able to maintain profitability. This is due to the fact that container terminal operators have greater flexibility to manage the costs of their operations than that of the shipping lines as well as due to their longer term contracts. While 2010 was better year for the shipping lines, again in 2011, most of the shipping lines incurred losses or had marginal profit levels. Nevertheless, all major container terminal operators generated considerable profit levels even during 2009 and 2011.

Figure 7: EBIT margin of selected shipping lines and container port operators



Source: Drewry Maritime Advisors
Note: ICTSI and HHLAAG stand for International Container Terminal Services, Inc. and Hamburger Hafen and Logistik AG, respectively

Key container ports and container port operators

In 2000, only seven of the top 15 container ports in the world were in Asia. As shown in Table 3 below, of the top 15 global container ports in 2012, 11 are located in Asia. Six of the Asian ports in this ranking are located in China. This shows that over the last decade, container activity has increased substantially in the Asian region.

Table 3: Top 15 container ports in the world (2012)

Rank	Port	Country	2011 throughput (million TEUs)	2012 throughput (million TEUs)
1	Shanghai	China	31.8	32.5
2	Singapore	Singapore	29.9	31.6
3	Hong Kong	Hong Kong	24.4	23.1
4	Shenzhen	China	22.5	22.9
5	Busan	South Korea	16.4	17.1
6	Ningbo	China	14.6	16.2
7	Guangzhou (Nansha)	China	14.1	14.5
8	Qingdao	China	13.2	14.5
9	Dubai	United Arab Emirates	13.0	13.3
10	Tianjin / Xingang	China	11.5	12.3
11	Rotterdam	Netherlands	11.9	11.9
12	Port Klang	Malaysia	9.4	10.0
13	Kaohsiung	Taiwan	9.6	9.8
14	Hamburg	Germany	9.0	8.9
15	Antwerp	Belgium	8.7	8.6

Source: Drewry Maritime Advisors

A large proportion of the top container ports are operated by international port operators. As shown in Table 4 below, the top 10 international container terminal operators accounted for more than 63% of global throughput in 2011.

Table 4: Top 10 global container port operators in the world (2010 and 2011)

Ranking			2010		2011	
2011	2010	Operator	million TEUs[(1)(3)]	Share	million TEUs[(1)(3)]	Share
1	1	Hutchison Port Holdings ("HPH")[(5)]	72.7	13.2%	71.8	12.1%
2	3	APM Terminals	60.2	11.0%	64.7	10.9%
3	2	PSA International (Port of Singapore Authority)[(4)(5)]	64.3	11.7%	57.1	9.6%
4	4	DP World	49.5	9.0%	54.1	9.1%
5	5	COSCO Group[(2)(4)]	48.3	8.8%	53.2	9.0%
6	6	MSC/Terminal Investment Limited (TIL)	19.4	3.5%	24.5	4.1%
7	-	China Shipping Terminal Development	14.5	2.6%	18.8	3.2%
8	7	Eurogate	12.3	2.2%	12.9	2.2%
9	10	Hanjin[(4)]	8.5	1.5%	10.0	1.7%
10	8	SSA Marine / Carrix[(4)]	9.1	1.7%	9.7	1.6%
Top 10 operators			**358.9**	**65.3%**	**376.8**	**63.4%**
Other operators			**190.5**	**34.7%**	**217.5**	**36.6%**
Total			**549.4**	**100.0%**	**594.3**	**100.0%**

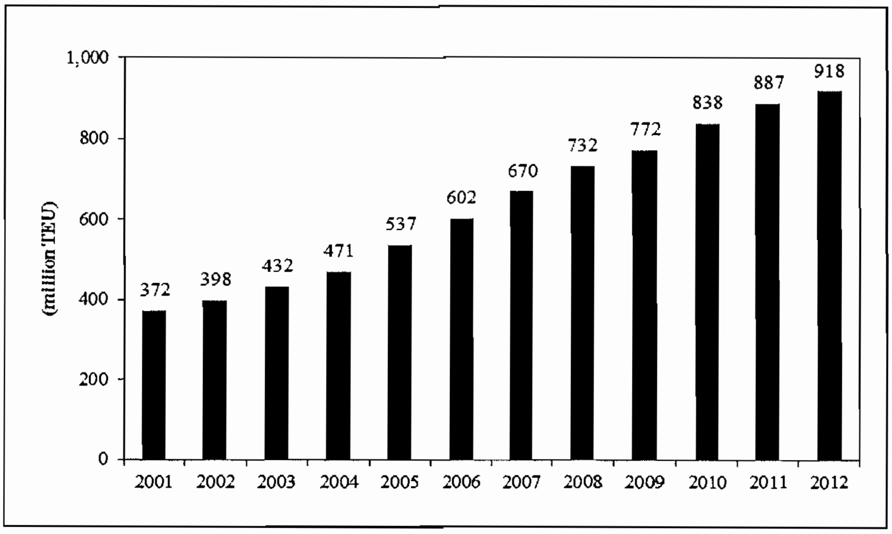
Source: Drewry Maritime Advisors
Notes:
(1) Unless stated otherwise figures include total annual throughput for all terminals in which more than 10% shareholding is held as at 31 December 2011 and 31 December 2010, respectively
(2) Cosco includes Cosco Pacific and Cosco Container Line
(3) Due to the method of calculation there is some degree of variation between Drewry's figures and the terminal operator's publicly announced results
(4) PSA International, COSCO Group, Hanjin and SSA Marine figures are estimated
(5) The HPH figures include HPH Trust volumes; the PSA figure excludes Hong Kong volumes for January – March 2011 at terminals which became part of the HPH Trust

Geographical scope has a big influence on the competitiveness of global port operators as they increasingly compete based on the size and diversification of their portfolios, which enables them to offer global networks to their shipping line customers, who themselves are consolidating and becoming increasingly large.

Global supply scenario

The growth in the container port capacity varies from region to region. Emerging markets have witnessed faster capacity addition compared to the developed regions. For example, capacity in the Far East region increased by around 12% over the period of 2001 to 2012 while Eastern Europe registered growth of 14% over the same period. Meanwhile, capacity in the Gulf Coast of the United States increased moderately by 5%. Overall port capacity in SEA increased by 7.5% in the same period. Figure 8 shows the growth of global container port capacity for the period 2001 to 2012.

Figure 8: Increasing global container port capacity (million TEUs)



Source: Drewry Maritime Advisors

Container port operating efficiency

In a competitive market, operating efficiency at the container terminal is one of the major parameters considered by shipping lines, the primary customer of the container ports.

Quay line performance is a measure of berth utilisation, though high efficiency in this context is not always directly related to profitability. Normally, high berth productivity for a port operator is positive in that more revenue will be generated per metre of quay. Similarly, high crane productivity normally leads to faster vessel turnaround while in port and therefore lowers costs for each shipping line.

Trends in container shipping and the impact on container ports

The growth of international merchandise trade demands larger vessel sizes to maintain economies of scale and keep unit costs low. With the constant upgrading of technology, vessel sizes are growing; the average container vessel size has grown three-fold in the past two decades. and vessels with a design capacity of more than 18,000 TEUs are now in operation. Table 5 shows the number of new container ships on order by size as of June 2013.

Table 5: Container orderbook by size range – June 2013

Size Range (TEUs)	2013	2014	2015	2016	Total	Current Fleet	% of Current Fleet
<500	-	-	-	-	0	113	0.0%
500-999	7	2	-	-	9	599	1.5%
1,000-1,499	10	13	4	-	27	819	3.3%
1,500-1,999	35	14	-	-	49	927	5.3%
2,000-2,499	6	20	13	2	41	639	6.4%
2,500-2,999	37	-	8	-	45	1,050	4.3%
3,000-3,999	80	19	27	19	145	992	14.6%
4,000-4,999	166	33	-	-	199	2,867	6.9%
5,000-5,999	25	42	35	5	107	1,786	6.0%
6,000-6,999	105	20	14	-	139	1,421	9.8%
7,000-7,999	14	-	-	-	14	357	3.9%
8,000-8,999	163	127	85	53	428	2,109	20.3%
9,000-9,999	94	216	167	9	486	719	67.6%
10,000-11,999	100	90	40	-	230	483	47.6%
12,000+	303	592	367	104	1,366	1,820	75.1%
Total	**1,145**	**1,188**	**760**	**192**	**3,285**	**16,701**	**19.7%**
Largest vessel to be delivered (TEUs)	**18,000**	**18,400**	**18,400**	**18,000**			

Source: Drewry Maritime Advisors

Shipping lines continue to order larger ships although the container shipping market is already over supplied. However, in an effort to drive down slot costs through economies of scale and usage of efficient engines, shipping lines are ordering newer and larger ships. With this change in the container shipping industry, ports too have had to cater to these larger containerships. To be able to accommodate these large container ships, a port or terminal must have cranes with sufficient outreach, berth lengths, berth draft, approach channel draft and a yard and landside operation capable supporting these vessels.

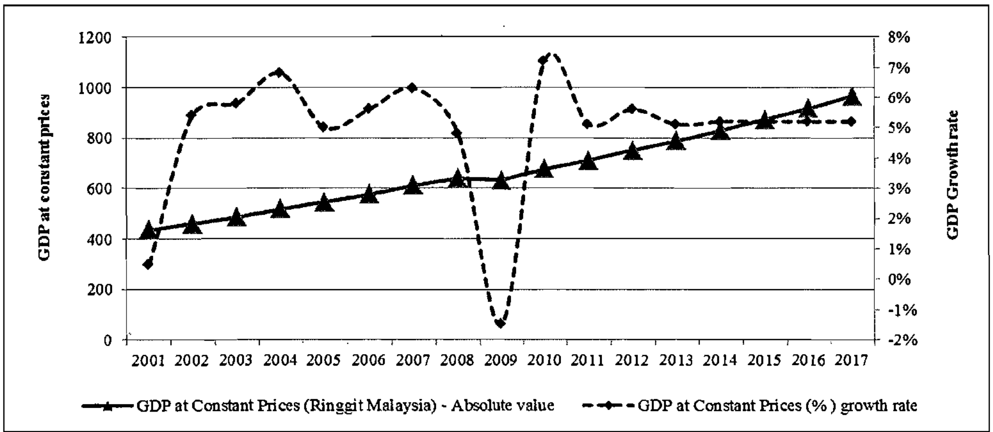
THE MALAYSIAN & SOUTHEAST ASIAN CONTAINER PORT INDUSTRY

Economic overview

The container port market in SEA is influenced by a number of key political and economic developments, which have contributed in making the region less susceptible to downturns in the Eurozone and the United States. Gateway demand was previously driven by demand for imported goods from the United States and the Eurozone, but demand is now switching to local goods being exported to new markets in the Middle East and Oceania.

Malaysia's GDP has grown at an average rate of 5% per annum since 2001. As illustrated in Figure 9 below, over the last decade, its growth rate was consistently above the global average except in 2009, as the Malaysian economy suffered from the global financial crisis. The Malaysian economy has however recovered strongly with growth exceeding 5%.

Figure 9: Historical and forecast GDP of Malaysia



Source: Drewry Maritime Advisors, derived from IMF

Shipping and port developments

The Straits of Malacca region comprises Thailand, Malaysia, Singapore and Indonesia. Total container volume in the Straits of Malacca has grown at a CAGR of 10.4% since 1990 versus a global CAGR of 9.5% over the same period, with Malaysia being the main driver of this strong regional growth. The Malaysian container port market is largely dominated by Port Klang and PTP, which together accounted for over 84.0% of total Malaysian container port throughput in 2012. Westports, located on Port Klang, has increased its market share of total Malaysian container traffic rapidly to 33% in 2012. In terms of transhipment, Westports handles the large majority of traffic in Port Klang (79% market share) and has a 53% market share in terms of import / export in Port Klang.

Port Klang is situated on the west coast of Peninsular Malaysia, about 40 kilometres from the capital city, Kuala Lumpur. Its gateway hinterland market consists of Kuala Lumpur and the central part of Malaysia. As Port Klang is located in the Straits of Malacca, its market for transhipment is therefore the same as Singapore and PTP, which are also located in the Straits of Malacca.

Southeast Asia growth drivers

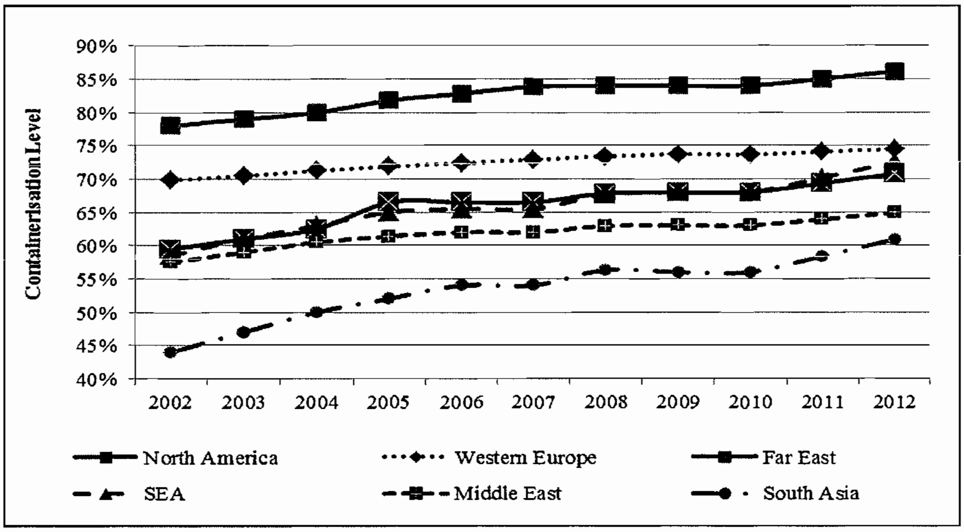
Gateway demand in SEA has historically been driven by demand for goods from the US and the Eurozone. In addition, with the recent downturn in demand from the US and Eurozone, which have traditionally been the main consumer markets, the region has started to export local goods to new markets in the Middle East and Oceania.

Hub and spoke transhipment demand in major hubs such as Singapore, Port Klang and PTP continues to grow despite competition; the overall growth in the transhipment market along with the increasing deployment of larger vessels has made it possible for all of these ports in the region to continue to grow.

Container ports in SEA tend to be at the cross-roads of major shipping routes, which is critical in terms of driving transhipment throughput. For ports which are focused on the gateway market, the focus is to keep their captive cargo and maintain high margins. For transhipment ports, pricing and productivity are key issues in the competition for cargo. Ports have offered equity stakes to shipping lines in the recent years in order to entrench cargo volumes.

As illustrated in Figure 10, the container trades serving SEA have demonstrated growth in terms of containerisation. Drewry estimates that in 2012, around 72% of SEA's general cargo trade was containerised. This is still lower than West Europe (74%) and North America (86%), but higher than other Asian regions. There is still room for growth in SEA for general cargo to achieve a higher level of containerisation.

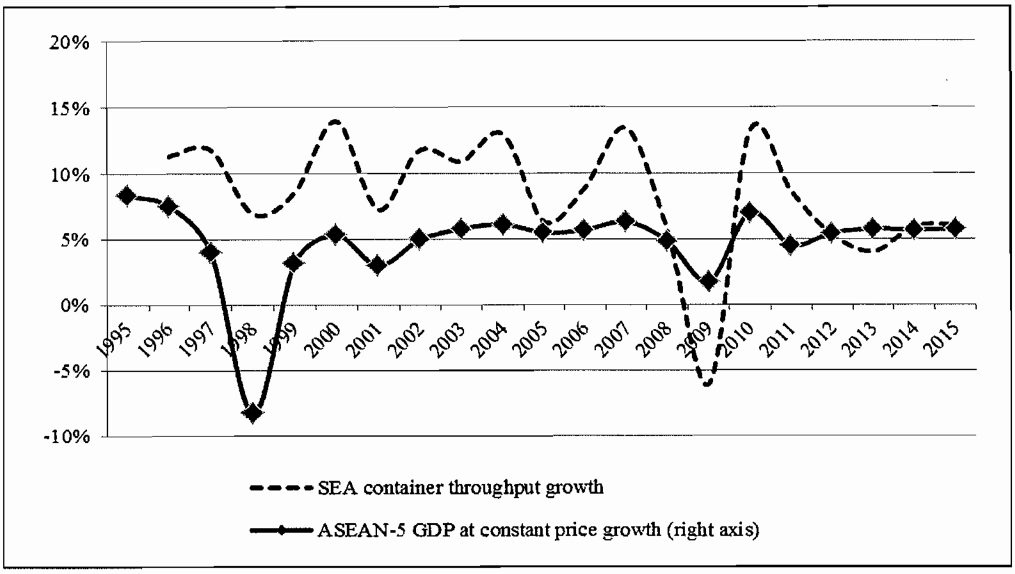
Figure 10: Regional estimated containerisation level (%)



Source: Drewry Maritime Advisors

As shown in Figure 11, container throughput in SEA has experienced a CAGR of 8% over the past decade (between 2001 and 2012) versus a global CAGR of 8.7% over the same period. With SEA being one of the highest growth regions in the world, it is estimated that container activity in the region will continue to grow at around 6%, in line with its estimated economic growth rate, between 2012 and 2015.

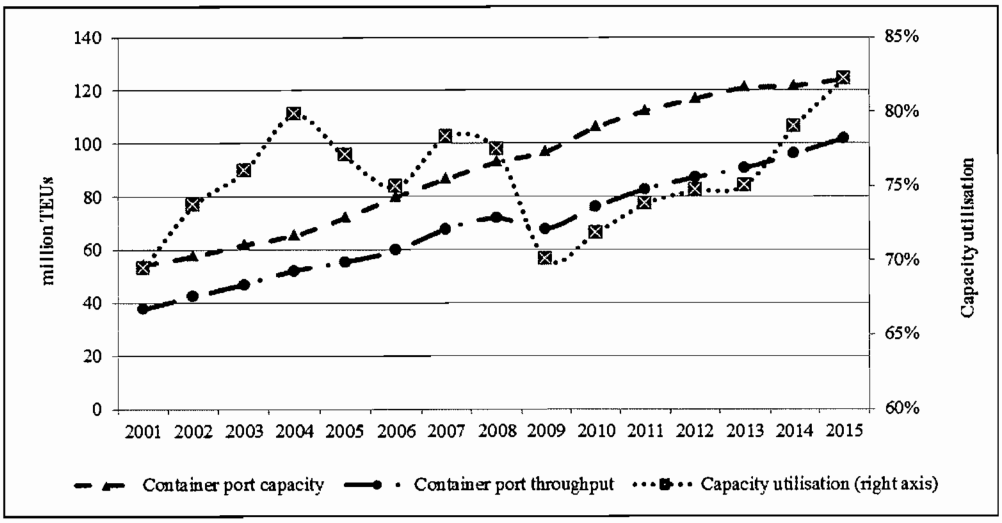
Figure 11: SEA growth in the economy and container throughput (%)



Source: Drewry Maritime Advisors
Note: ASEAN-5 is comprised of Philippines, Indonesia, Malaysia, Thailand and Vietnam

Figure 12 below shows that historically, SEA ports have demonstrated capacity utilisation of around 75%. With robust growth expected in the region, as per Drewry estimates, capacity utilisation of container ports in the SEA region is expected to be well above 85%, creating port infrastructure constraints.

Figure 12: Historical and forecast SEA throughput and capacity utilisation



Source: Drewry Maritime Advisors

Deviation of Straits of Malacca ports from the main trade lane

There are four leading container ports in the Straits of Malacca. The deviation of these ports from the main trade lane is shown in table 6 below:

Table 6: Deviation of Straits of Malacca ports from the main trade lane

Port	Deviation from trade lane (nautical miles)
Port of Singapore	9
Port of Tanjung Pelepas	15
Port Klang (Westports)	12
Tanjung Priok	620

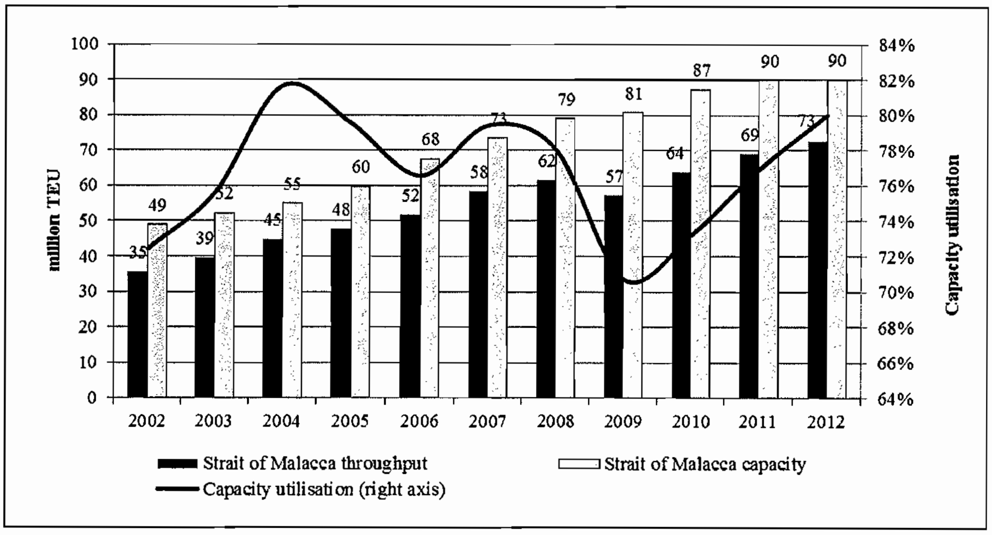
Source: Netpas
Note: Main trade lane is assumed to be the Shanghai-Rotterdam route.

Transhipment hubs must provide deep water berths, cranes that are able to service the largest vessels, immediate access to berths and cranes, and high productivity for main line vessels. Most importantly, they must also be located at a minimal deviation from the main shipping routes and must also have a good geographical location for regular shuttle feeder services to/from key spoke ports. In fact, the lower the deviation, the more suitable is a port's location to operate as a transhipment hub. Furthermore, the existence of a hinterland market for origin/destination cargo alongside the transhipment business is an added attraction, and this will also influence the distance in which shipping lines are willing to deviate from the main shipping routes in order to call at the port.

Straits of Malacca container traffic volumes

The Straits of Malacca is one of the busiest waterways in the world. According to the United States Energy Information Administration (EIA), at least 50,000 vessels sail through the Straits annually, carrying an estimated 30% of global goods and 80% of Japan's oil requirements. Total container volumes in the Straits of Malacca have grown at a CAGR of 8% since 2002 versus a global CAGR of 8% over the same period; the growth rate for Straits of Malacca throughput is higher than the Straits of Malacca capacity growth rates for 2010, 2011 and 2012, as shown in Figure 13 below.

Figure 13: Straits of Malacca container port capacity and container throughput (million TEUs)

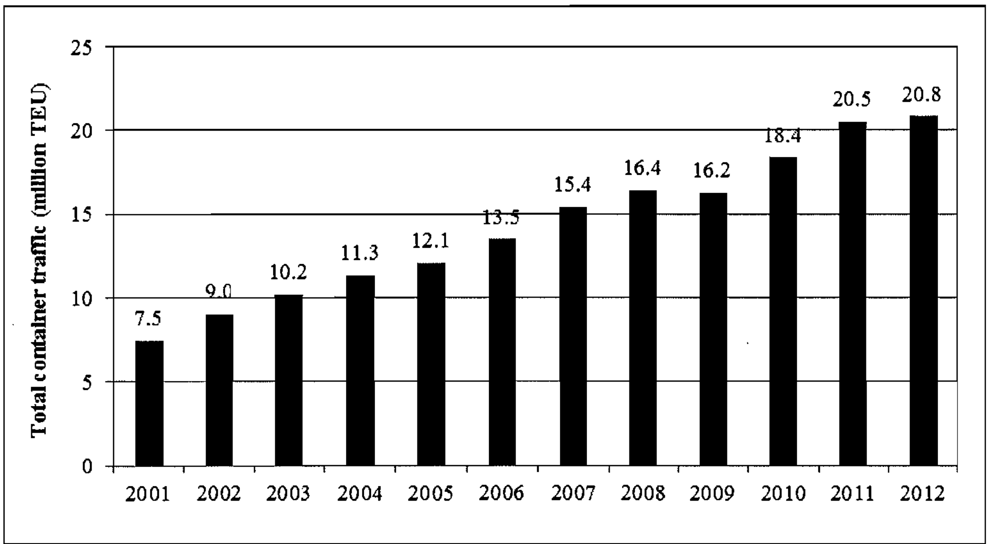


Source: Drewry Maritime Advisors

Malaysia has been the main driver of this strong regional growth, gaining significant market share, from just 11% of regional container throughput in 1990 to nearly 29% in 2012. Indonesia has also gained share of the container traffic market, while Thailand's share has remained stable. Market share of Singapore in the Straits of Malacca declined from 64% of regional container throughput to 44% between 1990 and 2012 despite a strong CAGR of 8.5% in the same period.

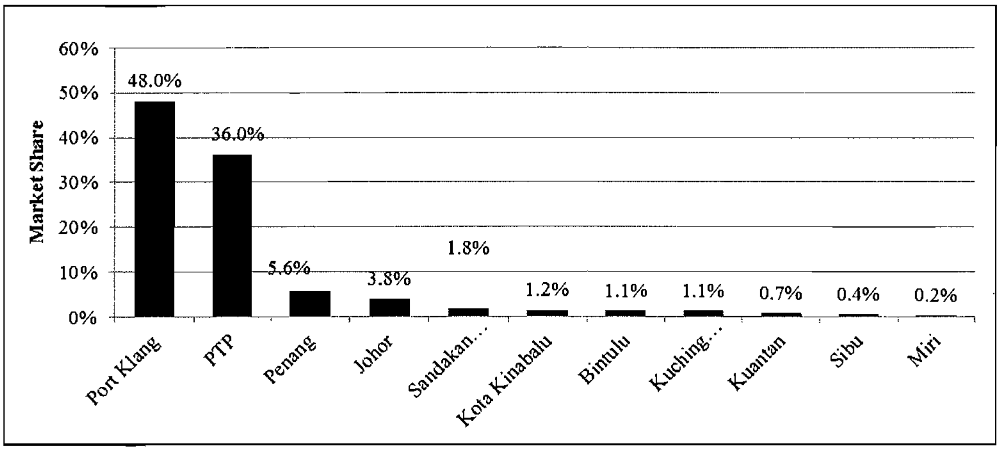
As shown in Figure 14 below, total container traffic in Malaysia has grown strongly, with a CAGR of 10% since 2001. All the Malaysian ports put together handled over 20.8 million TEUs in 2012, with the container port market largely dominated by Port Klang and PTP, which together account for over 84.0% of total traffic, as illustrated in Figure 15. Between 1980 and 2011, every 1% increase in Malaysia's GDP at current prices led to 2% increase in container throughout at Malaysian ports.

Figure 14: Malaysia container traffic (million TEUs)



Source: Drewry Maritime Advisors

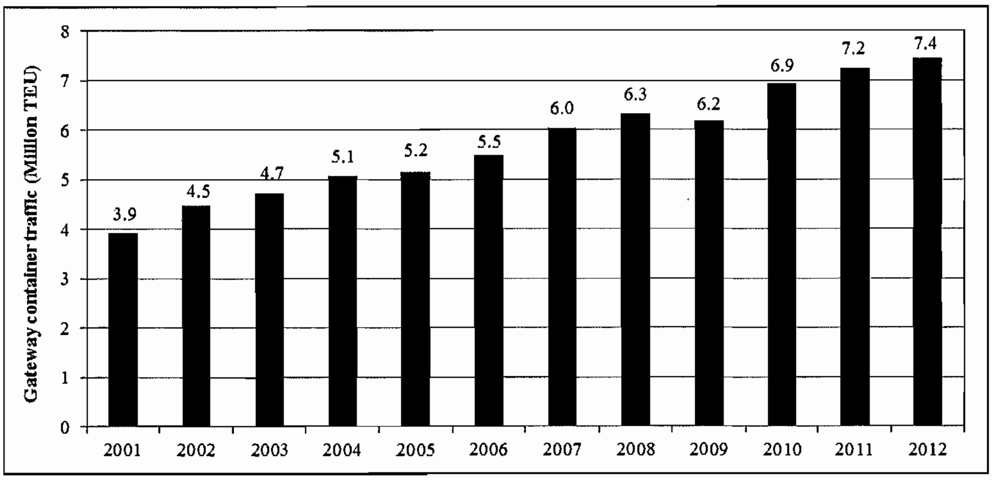
Figure 15: Malaysia ports market share in 2012 – Total traffic (%)



Source: Drewry Maritime Advisors

As shown in Figure 16, total gateway container traffic in Malaysia has grown strongly, with a CAGR of 6% since 2001 reaching 7.4 million TEUs in 2012. The market share of Port Klang for gateway volumes was 50% in 2012, while PTP has only 6% market share of gateway volumes. Penang and Johor are also important ports in the handling of gateway volumes, with a collective market share of over 10%.

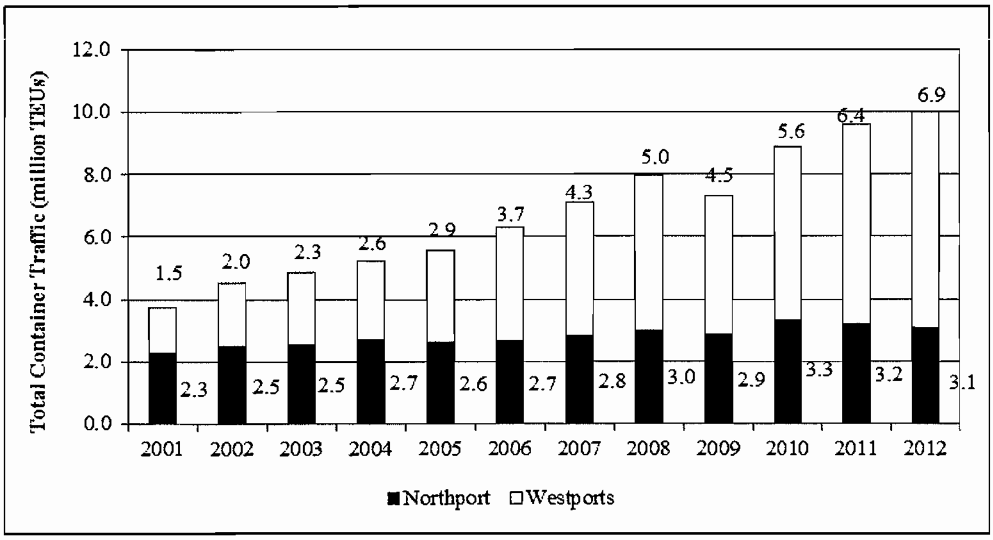
Figure 16: Malaysia gateway volumes (million TEUs)



Source: Drewry Maritime Advisors

As shown in Figure 17 below, the throughput from 2001 to 2012 in Port Klang grew at a CAGR of 9.3% to 10 million TEUs in 2012, with Westports growing at a faster CAGR of 15%.

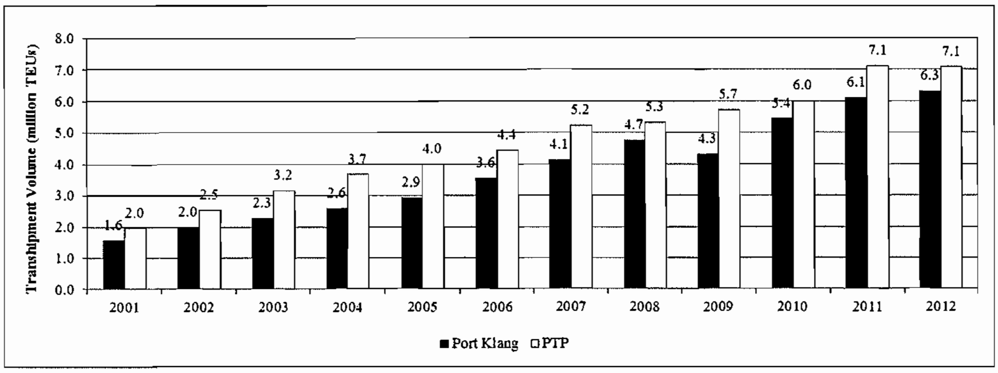
Figure 17: Port Klang port container volumes (million TEUs)



Source: Drewry Maritime Advisors

The only two ports handling transhipment volumes in Malaysia are Port Klang and PTP. As shown in Figure 18, both ports have grown very rapidly since 2001, with CAGRs in excess of 13% and together handle over 84% of total container traffic of Malaysia in 2012.

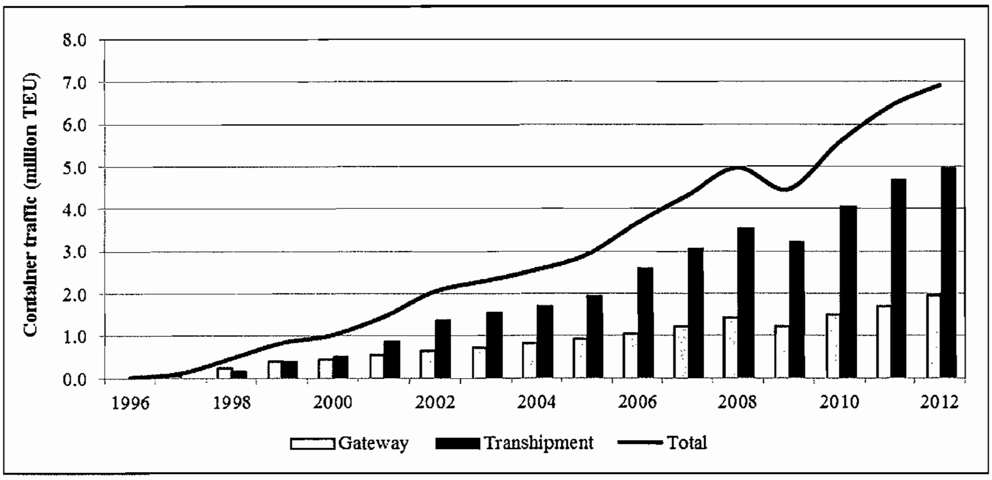
Figure 18: Malaysia transhipment volumes (million TEUs)



Source: Drewry Maritime Advisors

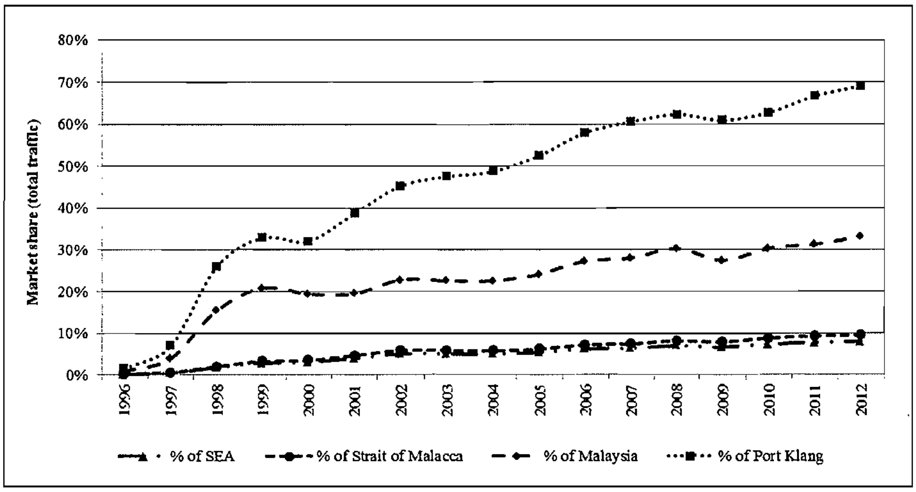
As shown in Figure 19 below, all traffic types (gateway and transhipment) for Westports have grown strongly since 1996 with a total throughput CAGR in excess of 11%. Furthermore, Westports has rapidly increased its market share of total regional traffic since the terminal began operations in 1996. As shown in Figure 20, it now has a 69% market share of Port Klang's traffic in 2012 while its market share within the country is also high at 33% of traffic in 2012. In terms of transhipment, Westports handles the majority of traffic at Port Klang with a 79% market share and has a 12% market share of the Straits of Malacca volumes in 2012, as illustrated in Figure 21.

Figure 19: Westports container volume evolution (million TEUs)



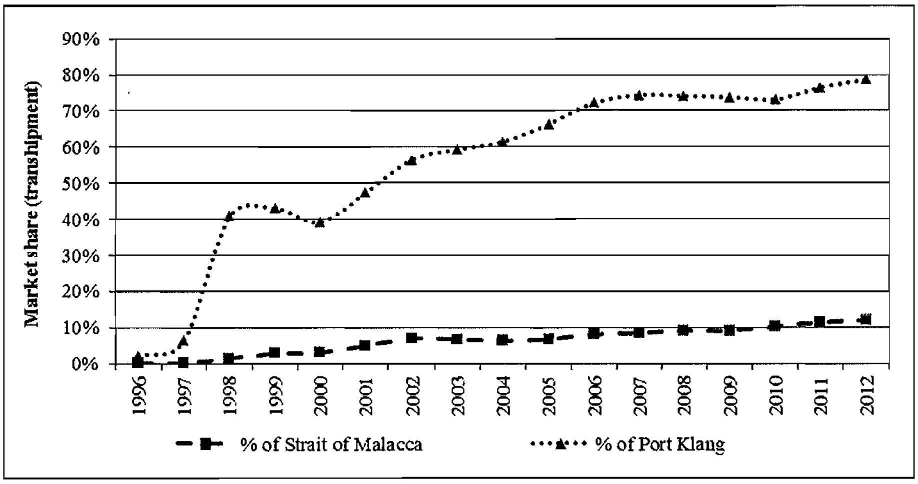
Source: Drewry Maritime Advisors

Figure 20: Westports market share – total traffic (%)



Source: Drewry Maritime Advisors, Westports

Figure 21: Westports market share – transhipment (%)



Source: Drewry Maritime Advisors, Westports

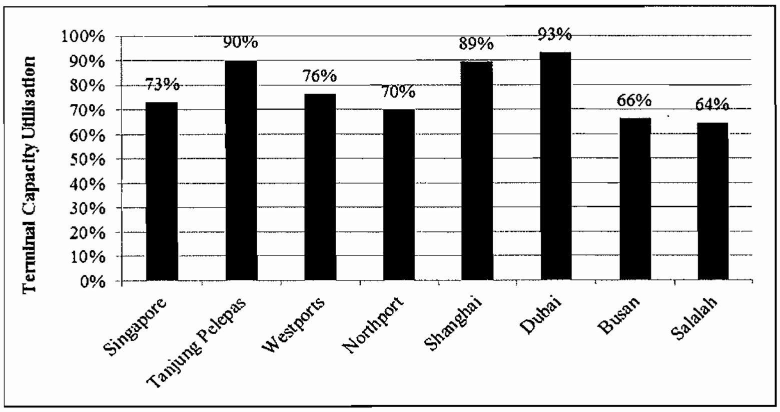
Asset benchmarking

Singapore largely dominates Straits of Malacca ports and is 16% larger than the second largest port in the world, namely Shanghai, in terms of port handling capacity. Westports and PTP have annual handling capacity of 9.5 million TEUs and 8.4 million TEUs respectively. Northport is able to handle 4 million TEUs per year.

Figures 22, 23 and 24 below compares the terminal utilisation levels, crane productivity and berth productivity (which are the three main parameters used to measure operational efficiency) of container terminals at the main ports and terminals on the Straits of Malacca as well as other major regional ports, respectively.

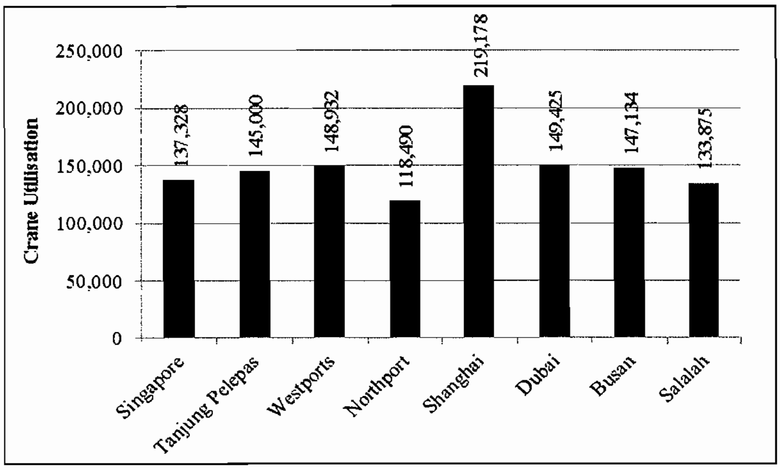
8. INDUSTRY OVERVIEW *(cont'd)*

Figure 22: Terminal utilisation



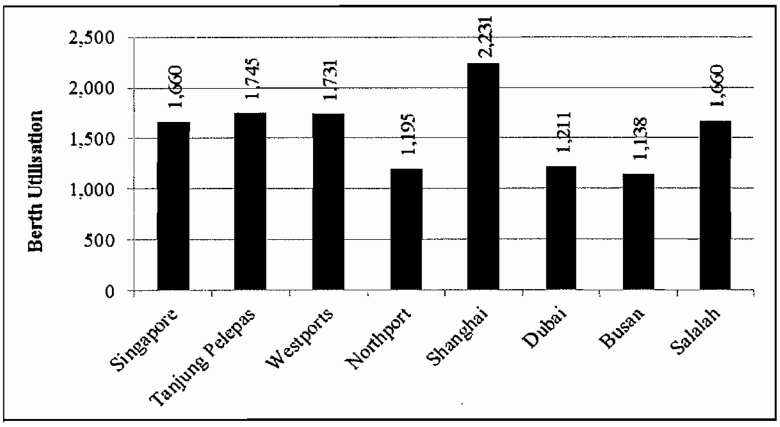
Source: Drewry Maritime Advisors
Note: Represents 2011 figures

Figure 23: Crane productivity (TEU per crane per year)



Source: Drewry Maritime Advisors
Note: Represents 2011 figures

Figure 24: Berth productivity (TEU per metre)



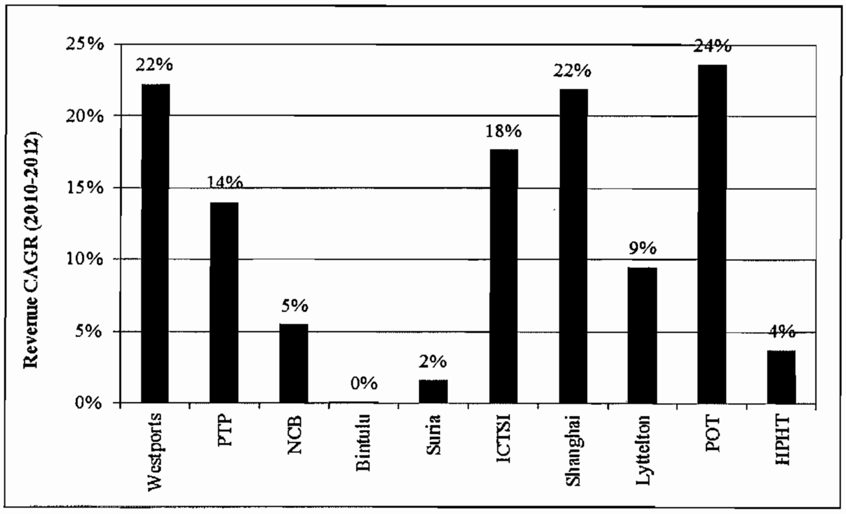
Source: Drewry Maritime Advisors
Note: Represents 2011 figures

Financial Benchmarking

Westports' financials have been benchmarked with other similar container terminal operators and the results are given below. Figure 25 shows that Westports' CAGR for the period 2010-2012 was 22%. This is one of the highest rates among the chosen sample and only Port of Tauranga Ltd had a higher rate.

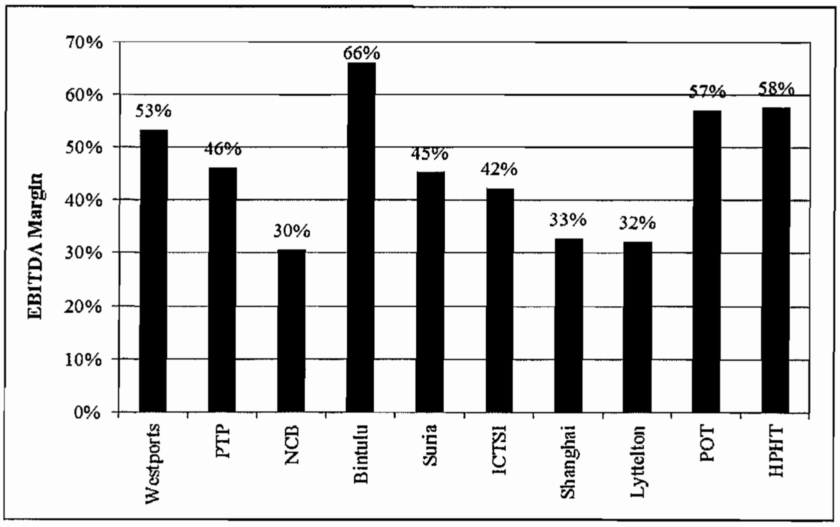
The EBITDA margin is illustrated in Figure 26 and shows that Westports had a 53% EBITDA margin in 2012. Westports' EBITDA margin compares well with the rest of the sample, with only three companies, namely, Bintulu Port Holdings Bhd, Hutchison Port Holdings Trust and Port of Tauranga Ltd having higher margins. This is also highlighted by Westports' high net income margin, which is one of the highest among all of the companies, as shown in Figure 27.

Figure 25: Revenue CAGR 2010 – 2012



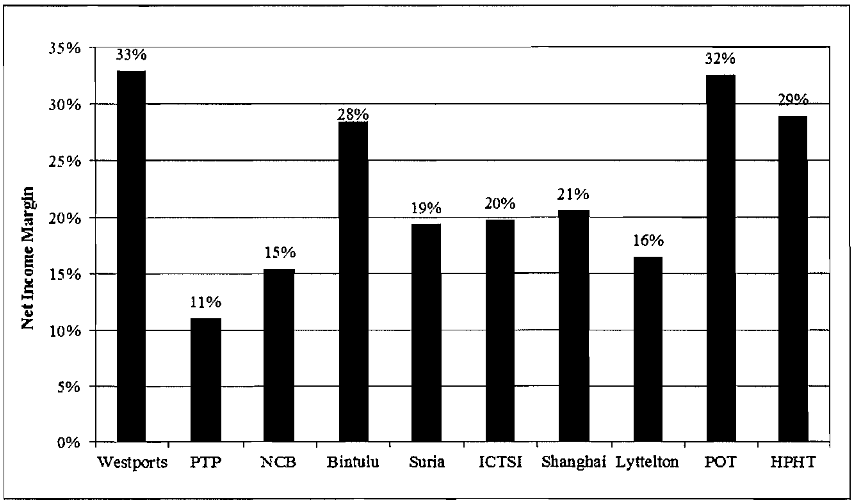
***PTP**: Pelabuhan Tanjung Pelepas Sdn Bhd , **NCB**: NCB Holdings Bhd , **BIPORT**: Bintulu Port Holdings Bhd, **SURIA**: Suria Capital Holdings Bhd, **ICT**: International Container Terminal Services Inc, Shanghai: Shanghai International Port Group Co. Ltd, **Lyttelton:** Lyttelton Port Co. Ltd, **POT**: Port of Tauranga Ltd, **HPHT**: Hutchison Port Holdings Trust*
Note: Values for PTP reflects 2009 to 2011 financial information as 2012 data is unavailable
Source: Drewry Maritime Advisors, Westports

Figure 26: EBITDA margin – 2012



Source: Drewry Maritime Advisors, Westports
Note: Values for PTP reflects 2011 financial information as 2012 data is unavailable
Westports' EBITDA margin excludes construction revenue and management fees

Figure 27: Net income margin – 2012



Source: Drewry Maritime Advisors, Westports
Note: Values for PTP reflects 2011 financial information as 2012 data is unavailable
Westports' net income margin excludes construction revenue and management fees

Container tariff analysis

Of all the container handling/moving charges, terminal handling charges is the largest component and is the mainstream revenue for terminal operators. Westports' tariffs are shown in Table 7 below; these are maximum published tariffs.

Table 7: Westports' container tariffs (maximum published tariffs)

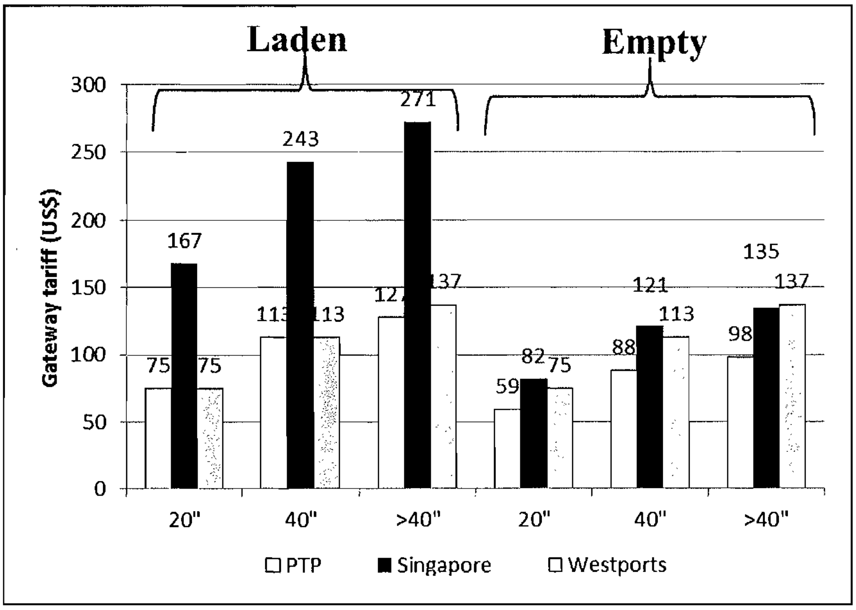
Container size	Gateway laden	Gateway empty	Transhipment laden	Transhipment empty
	(USD per move)			
20"	75	75	46	46
40"	113	113	69	69
>40"	137	137	78	78

Source: Port Klang Authority
Note: Tariff is regulated by Port Klang Authority.
Exchange rate: Ringgit Malaysia ("MYR") / United States Dollar ("USD"): 0.3267

The maximum published tariffs for Northport and Westports are the same as they are regulated by the Port Klang Authority. Singapore's tariff rates for laden gateway traffic are more than double than those of PTP and Westports. Singapore is more space constrained and benefits from a long-term relationship with most of its customers and can therefore justify higher rates. The two Malaysian ports, Westports and PTP, offer similar rates as each other. For gateway empties, Westports' tariffs are similar to Singapore but higher by about 30% than that of PTP. Westports has the lowest transhipment tariffs for all equipment types (various sizes of containers) among the Straits of Malacca ports. On the other hand, Singapore charges higher tariffs for laden transhipment containers as compared to PTP.

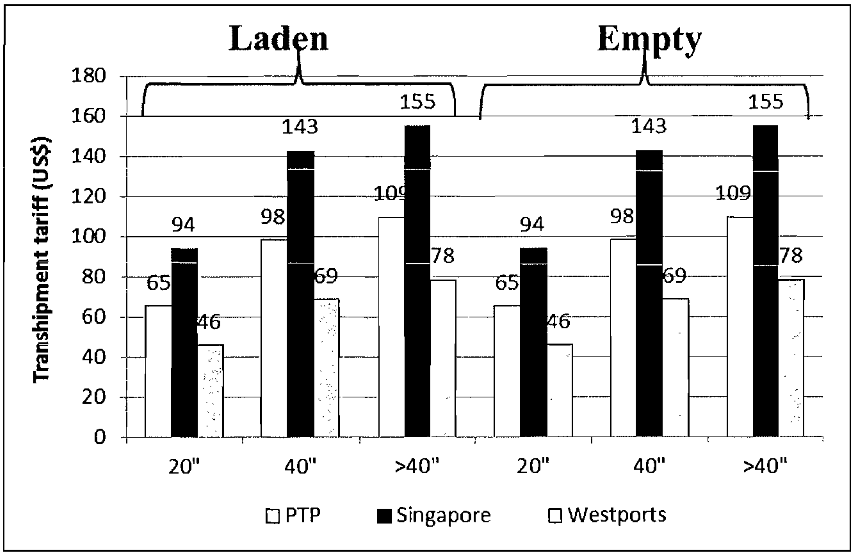
A comparison of Westports tariffs with other competing ports in the Straits of Malacca is presented in Figures 28 and 29.

Figure 28: Straits of Malacca main ports gateway tariffs (in USD)



Source: Drewry Maritime Advisors, derived from the respective port authorities

Figure 29: Straits of Malacca main ports transhipment tariffs (in USD)



Source: Drewry Maritime Advisors, derived from port authorities

CMA CGM Group, China Shipping Line Limited, United Arab Shipping Corporation, Gold Star Line Limited, Compania Sudamericana de Vapores and Emirates Shipping Line DMCEST use Westports as their regional transhipment hub port. Westports' five largest customers accounted for an average of approximately 40.4% of Westports total revenue over the financial years ended 31 December 2010, 2011 and 2012 and the six months period ended 30 June 2013.

THE CONVENTIONAL CARGO PORT INDUSTRY IN MALAYSIA

Economic overview

Conventional cargo accounts for a considerable share of Malaysia's total trade, including exports and imports. Out of conventional cargo, dry bulk and liquid bulk (crude oil and petroleum products) cargo together made up about 123 million tonnes of export and import cargo for Malaysia in 2011, as per the provisional data collated from the Global Trade Information Services (GTIS). Malaysian bulk trade has risen consistently over the past decade, except during the global economic recession period of 2008 to 2009. Total dry bulk and liquid bulk (crude oil and petroleum products) trade volume rose at a CAGR of 4% per annum over the period 2003 to 2011.

- Coal is the most significant dry bulk commodity imported at Malaysian ports, with Indonesia being the biggest coal supplier to Malaysia. Fertiliser, cement clinkers, iron ore and grains are the other major dry bulk commodities imported by Malaysia. Among exports, aggregates, forest products and fertilisers are the top commodities exported from Malaysia.
- Malaysia is a net exporter of crude oil, with Australia and a number of Asian economies as its biggest customers. Malaysia also imports crude oil, particularly from the Middle East, and also from Vietnam. Unlike crude oil, Malaysia imports more petro-products than it exports. Singapore is the single largest petro-products trade partner of Malaysia, given the close geographical proximity of the two countries and high level of bunker trade in the region. Also, Malaysia is the world's second largest producer and exporter of palm oil. Its palm oil exports have witnessed a growth of around 7% per annum between 2007 and 2012. China, Europe, India and Pakistan are the largest importers of Malaysian palm oil.

Total conventional cargo throughput at Westports has increased at a CAGR of 5% per annum between 2007 and 2012, with most of the growth contributed by the increases in liquid bulk volumes and the number of vehicles handled, attributable to the shift in Roll-on Roll-Off ("**RORO**") handling from Northport to Westports in 2008. While overall conventional cargo volume handled at Northport has dipped over the years, it has increased steadily at Lumut and Kuantan. The growth in conventional cargo volume has been the strongest in the case of Kuantan at 13% per annum from 2007 to 2011, while it has been lower at 7% annually over the same period for Lumut.

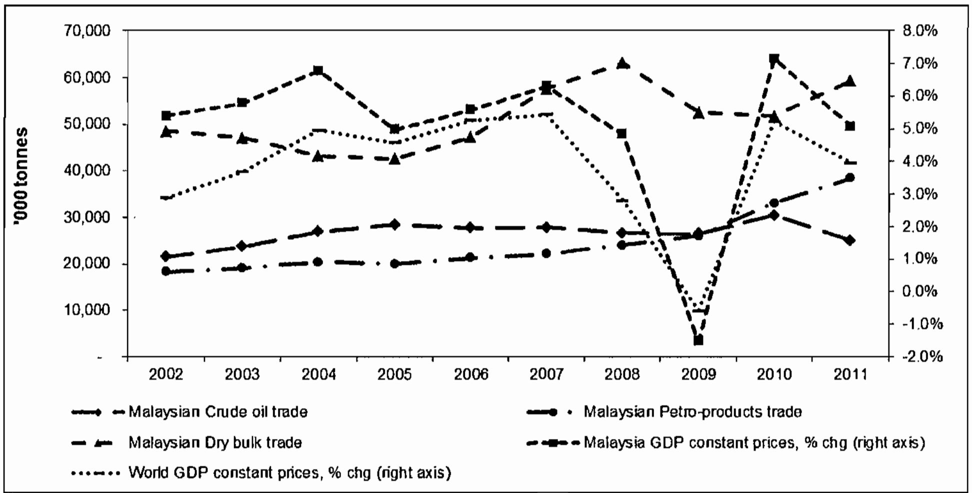
The primary hinterland for conventional cargo at Westports mainly consists of industrial zones located in the states of Selangor and Negeri Sembilan, which comprise of a number of manufacturing units for steel fabrication, scrap metal, industrial coils, wood furniture, automobiles, sugar, soya bean, clinkers, cement, gypsum and coal. The Pulau Indah (Port Klang Free Zone) and the Westports areas play host to a number of flour mills, project cargo engineering firms, fertilizer plants, bulk commodity (both dry and liquid) traders and edible oil refineries. In addition, major international oil marketing and refining firms and chemical storage companies operate tank farms in the Westports terminal, accounting for the majority of liquid bulk cargo.

The demand for refined oils and petroleum products, finished goods, vehicles, grains, construction materials and fertilisers is also supported by healthy economic activity in Kuala Lumpur (which lies about 40 kilometres east of Westports) and its surrounding suburban areas.

Relationship between GDP and Malaysian bulk trade

There is a close link between economic activity (GDP) and global trade and as such business cycles have had a profound impact on world trade. This trend is also reflected in the relationship between Malaysian GDP and bulk trade. Figure 30 illustrates the relationship between GDP growth and Malaysian bulk trade from 2002 to 2011.

Figure 30: Relationship between GDP and Malaysian bulk trade



Source: IMF, WITS, GTIS, Drewry Maritime Advisors

Table 8: Malaysia's bulk trade (imports + exports) and GDP growth

Year	World GDP, constant prices, % change	Malaysia GDP, constant prices, % change	Malaysian Crude oil trade ('000 tonnes)	Malaysian Petro-products trade ('000 tonnes)	Malaysian Dry bulk trade ('000 tonnes)
2002	2.9%	5.4%	21,440	18,252	48,583
2003	3.7%	5.8%	23,674	19,103	47,105
2004	4.9%	6.8%	26,928	20,381	43,208
2005	4.6%	5.0%	28,417	19,945	42,626
2006	5.3%	5.6%	27,749	21,278	47,216
2007	5.4%	6.3%	27,871	22,109	57,581
2008	2.8%	4.8%	26,597	23,954	63,118
2009	-0.6%	-1.5%	26,549	25,990	52,631
2010	5.1%	7.2%	30,443	33,108	51,763
2011	4.0%	5.1%	25,033	38,401	59,355 *

Note: (*) Estimated

Competitive analysis

Among the ports considered for competitive analysis for conventional cargo, Westports has the longest berth size of around 3.0 kilometres. The key port infrastructure for the main ports considered is summarised in Table 9:

Table 9: Key port infrastructure at the main ports for conventional cargo

Terminal Type	Key Port Infrastructure	Westports	Northport	Kuantan
Liquid bulk[3]	Berth length (metres)	1,307	779	1,740
	No. of jetties	5	4	8
	Maximum draft (metres)	16	11.5	11.2
Dry bulk[1][2]	Berth length (metres)	1,335	426	n/a
	No. of berths	6	2	n/a
	Maximum draft (metres)	15	12	n/a
	No. of cranes, unloaders, dischargers and conveyors	5	3	n/a
Break bulk[2]	Berth length (metres)	1,200	1,286	1,073
	No. of berths	6	9	8
	Maximum draft (metres)	15	12.5	11.2
	No. of cranes	n/a	4	3

Source: Publicly disclosed information, Westports
Notes:
(1) Westports' dry bulk terminal includes cement terminal
(2) Westports' dry bulk and break bulk terminals are made up of both dedicated and non-dedicated berths
(3) Westports' liquid bulk terminal is made up of dedicated berths only

Overview of conventional trade in Malaysia

The major non-container commodities handled at the Malaysian ports can broadly be split into four sub-categories, namely dry bulk, liquid bulk, break bulk and RORO. These commodity heads further divide into individual commodities as stated in Table 10 below:

Table 10: Major non-container commodities handled at the Malaysian ports

Dry Bulk	Liquid Bulk	Break Bulk	RORO
Wheat Grains	Bunker	Mixed Steel	Vehicles
Sugar	Palm Oil	Scrap	
Maize	Petroleum	Timber	
Soya Bean	Chemicals	General Cargo	
Clinker/Slag	Liquefied Petroleum Gas (LPG)	Project Cargo	
Fertiliser		Coils	
Coal			
Gypsum			
Cement			

Source: Drewry Maritime Advisors

MALAYSIAN PORT INDUSTRY REGULATIONS

The main laws and regulations governing WMSB's operation and activities are summarised below. The following does not purport to be an exhaustive description of all relevant laws and regulations of which the business is subject to.

The business and operations of WMSB are governed principally by the Port Authorities Act 1963 and the Ports (Privatisation) Act, 1990.

The PKA is a statutory corporation established on 1 July 1963 under the Port Authorities Act, 1963 to operate and manage Port Klang. The PKA has the power to do all things reasonably necessary for or incidental to the discharge of its functions.

The Ports (Privatisation) Act, 1990 is the principle legislation which regulates the licensing of port operators and only operators licensed under the Ports (Privatisation) Act, 1990 such as WMSB, can undertake or manage port operations.

All licenses under the Ports (Privatisation) Act, 1990 stipulate terms and conditions under the license including, the duration of the licence, the types of service and facilities to be provided by the licensee, the annual licence fee payable by the licensee, the particular duties of the licensee in respect of the services or facilities and any other conditions as the port authority thinks fit.

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT

9.1 Board of Directors

Our Board acknowledges and takes cognisance of the MCCG 2012, which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies. The MCCG 2012 applies to all listed companies on Bursa Securities, and listed companies with financial year ended 31 December 2012 onwards will be required to report on the adoption of the principles and recommendations of MCCG 2012 in their annual reports.

Our Board takes cognisance that two (2) of our independent directors have served for a period exceeding nine (9) years. Nevertheless, our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively.

Our Board also represents the ownership structure of the Company fairly, with appropriate representations of minority interest through the independent directors. Our Board is committed to achieving and sustaining high standards of corporate governance. Our Board will provide a statement on the extent of compliance with the MCCG 2012 in its annual report for the year ending 31 December 2013.

Our Board has adopted the following responsibilities for effective discharge of its functions:

(i) reviewing, challenging and approving our annual corporate plan which includes, the overall corporate strategy, marketing plan, human resources plan, information technology plan, financial plan, budget, regulations plan and risk management plan;

(ii) overseeing the conduct of our businesses and determining whether the businesses are being properly managed;

(iii) identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation risks to effectively monitor and manage these risks;

(iv) succession planning, including appointing, training, fixing the remuneration of, and where appropriate, replacing our key management;

(v) overseeing the development and implementation of an investor relations programme or shareholders' communications policy for our Group;

(vi) reviewing the adequacy and the integrity of our internal controls and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines (including the Listing Requirements, securities laws and the Act);

(vii) reviewing and approving our financial statements as well as our annual report;

(viii) reviewing and approving the Audit Committee's report at the end of each financial year; and

(ix) preparing a corporate governance statement in compliance with the MCCG 2012 and an internal control statement for our annual report.

As at the date of this Prospectus, our Board consists of 11 Directors. Under our Articles of Association, one third of our Directors shall retire from office but shall be eligible for re-election at each AGM. Our Directors must submit themselves for re-election at least once in three (3) years.

The details of our Board members including the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in office as at the date of this Prospectus are set out below:

Name/Designation	Age	Date of appointment	Date of expiration of the current term of office	Approximate no. of years and months in office as at the date of this Prospectus
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam *(Non-Independent Executive Chairman)*	69	01.01.2009	To retire at the AGM to be held in year 2015 pursuant to Section 129(6) of the Act	4 years and 9 months
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil *(Independent Non-Executive Director)*	71	07.09.1994	To retire at every AGM pursuant to Section 129(6) of the Act	19 years
Ruben Emir Gnanalingam Bin Abdullah *(Chief Executive Officer)*	37	05.07.2005	To retire at the AGM to be held in year 2015	8 years and 2 months
John Edward Wenham Meredith *(Non-Independent Non-Executive Director)*	75	15.12.2000	To retire at every AGM pursuant to Section 129(6) of the Act	12 years and 9 months
Ip Sing Chi *(Non-Independent Non-Executive Director)*	60	05.04.2013	To retire at the AGM to be held in year 2016	5 months
Chan Chu Wei *(Non-Independent Non-Executive Director)*	60	15.12.2000	To retire at the AGM to be held in year 2014	12 years and 9 months
Dato' Abdul Rahim Bin Abu Bakar *(Independent Non-Executive Director)*	67	01.04.2003	To retire at the AGM to be held in year 2014	10 years and 6 months
Dato' Yusli Bin Mohamed Yusoff *(Independent Non-Executive Director)*	54	13.03.2013	To retire at the AGM to be held in year 2015	6 months
Jeyakumar a/l T Palakrishnar *(Independent Non-Executive Director)*	44	13.03.2013	To retire at the AGM to be held in year 2016	6 months

Name/Designation	Age	Date of appointment	Date of expiration of the current term of office	Approximate no. of years and months in office as at the date of this Prospectus
Tan Sri Ismail Bin Adam *(Independent Non-Executive Director)*	63	30.08.2013	To retire at the AGM to be held in year 2014	Less than 1 month
Kim, Young So *(Independent Non-Executive Director)*	51	05.09.2013	To retire at the AGM to be held in year 2014	Less than 1 month

Save as disclosed below, none of our Directors represent any corporate shareholders:

Corporate shareholder	Director
SPIH	John Edward Wenham Meredith and Ip Sing Chi
KNB	Dato' Abdul Rahim Bin Abu Bakar

9.1.1 Profile of our Directors

Tan Sri Datuk Gnanalingam a/l Gunanath Lingam is our Non-Independent Executive Chairman. He was appointed as executive chairman of WMSB in 2000. Prior to his appointment as executive chairman, he was the managing director of WMSB from 1995 to 1999.

He attended the Royal Military College from 1960 until 1964 before obtaining his Bachelor of Arts degree from University of Malaya in 1968. He has also attended the Advanced Management Programme at Harvard Business School in Boston, US in 1991.

He started his career with the British American Tobacco group in 1968 as a sales representative with the marketing division before being promoted as marketing director in 1980. In 1988, he ventured out and started his own marketing company called G-Team Consultants Sdn Bhd ("**G-Team Consultants**"). G-Team Consultants acted as the corporate consultant for the marketing operations of Radio Television Malaysia ("**RTM**") from 1988 to 2000. He successfully secured the concession to operate Westports in 1994.

He had been recognised for his efforts when he was named *Transport Man of the Year* in 2001 by the Ministry of Transport, Malaysia. In 2007, he received the *Small and Medium Enterprise (SME) Platinum Award*, the *Chartered Institute of Logistics and Transport* ("**CILT**") *Malaysia Achiever of the Year Award* and was admitted as a Chartered Fellow by the CILT, UK. He was also presented with the *Outstanding American Alumnus Award 2007* in the field of Logistics and Transport by the American Universities Alumni Malaysia for outstanding entrepreneurial skills and leadership excellence.

He sat on the National PEMUDAH committee, which is a special task force set-up by the then Prime Minister of Malaysia to facilitate businesses in Malaysia by identifying improvements to existing GOM processes and regulations based on global benchmarking reports and public feedback, from 2007 until 2012.

Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil is our Independent Non-Executive Director. He was appointed to our Board in 1994.

He obtained a Bachelor of Science degree in Economics and Business Administration from Georgetown University, Washington D.C., US in 1966. He has more than 45 years of managerial and business experience in various industries ranging from mining, petroleum, media, manufacturing, merchant banking and finance, stock broking, port management, trading to golf resort development.

He started his career in 1966 as an assistant company secretary with Associated Mines Sdn Bhd which is principally involved in tin mining. Subsequently he joined Shell Malaysia Ltd in 1967 as the head of market development for West Malaysia, East Malaysia and Brunei. In 1971, he joined The New Straits Times Press (Malaysia) Berhad ("**NSTP**") as an assistant general manager and was with the company until 1991 where his last position held was as the managing director of the NSTP group.

Since then, he has been appointed to the board of many public and private companies. He was the executive vice chairman of Palm Resort Berhad, a director of Camerlin Group Berhad (now known as Adjuvant Resources Berhad), chairman of Southern Investment Bank Berhad, chairman of QSR Brands Berhad and chairman of KFC Holdings (Malaysia) Berhad. He is currently the non-executive chairman of OCB Berhad and non-executive chairman of LionGold Corp Ltd, a company listed on the main board of the Singapore Stock Exchange. He also sits on the board of several other private limited companies.

Ruben Emir Gnanalingam Bin Abdullah is our Chief Executive Officer.

He attended Victoria Institution in Kuala Lumpur until 1993 and then Eton College in UK from 1994 until 1995. He graduated with a Bachelor of Science (Honours) degree in Economics from the London School of Economics and Political Science, UK in 1998. He also holds a diploma in Port Management awarded by the University of Cambridge Local Examinations Syndicate which he obtained in 2001 and has attended several business and management courses at the Harvard Business School in Boston, US including the Leadership Development Programme in 2006 to 2007. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of Harvard Business School, Boston, US in 1996.

He started his career as a trainee at the operational level in WMSB in 1999 before resigning to set up a venture capitalist business known as The Makmal Group in 2000. He sold his investments and exited this business in mid-2005.

He was appointed to our Board in July 2005 and was designated as our executive director in early 2006 before being appointed as our Chief Executive Officer in early 2009. His main responsibilities include business development, technology enhancement, process engineering and management of procurement.

He is the eldest son of our Non-Independent Executive Chairman.

John Edward Wenham Meredith is our Non-Independent Non-Executive Director.

He graduated from the University of Southampton, UK in 1955 and subsequently obtained his Master Mariner certificate and received an honorary Doctor of Laws degree from University of Western Ontario, Canada in 2008.

He began his career in the container terminal business with Hongkong International Terminals Limited as a general manager in 1975. He was appointed to the board of HPH in 1994, and has taken up the role of group managing director of HPH since 1996.

He has been the deputy chairman and non-executive director of Hutchison Port Holdings Management Pte. Limited, the Trustee-Manager of Hutchison Port Holdings Trust (a business trust listed in Singapore), since February 2011. He currently holds senior management positions in other companies within HPH's worldwide operations.

He has more than 40 years of experience in the container terminal business. He was awarded the Commander of the Order of the British Empire (CBE) by Queen Elizabeth II in 2011.

Ip Sing Chi is our Non-Independent Non-Executive Director.

He graduated with a Bachelor of Arts degree from Lanchester Polytechnic, UK, in 1979. He began his career in the maritime business when he joined Sun Hing Shipping Co., Ltd. in 1979 as an account executive. Subsequently he joined Hongkong International Terminals Limited in 1993 as general manager of commercial and acted as the managing director from 1998 to 2011. In 2005, he was appointed to the board of HPH, and has taken up the role of deputy group managing director of HPH since 2012.

He has been an executive director of Hutchison Port Holdings Management Pte. Limited, the Trustee-Manager of Hutchison Port Holdings Trust (a business trust listed in Singapore), since February 2011. He is currently the chairman of Yantian International Container Terminals Limited, an outside director of Hyundai Merchant Marine Co., Ltd. and an independent non-executive director of COSCO Pacific Limited, a company listed on the Stock Exchange of Hong Kong Limited.

He has over 30 years of experience in the maritime industry. He is a member of the Hong Kong Port Development Council and the founding chairman (in 2000-2001) of the Hong Kong Container Terminal Operators Association Limited.

Chan Chu Wei is our Non-Independent Non-Executive Director.

She obtained a Bachelor of Social Science degree from University Sains Malaysia in 1977 and has attended the International Senior Managers Programme by Harvard Business School in Boston, US in 1993 as well as the Advance Management Programme by Templeton College in Oxford, UK in 1997.

She began her career with Tourist Development Corporation of Malaysia as assistant director in 1977 and moved on to join Malaysian Tobacco Company Berhad a year later, where she worked in the human resources and marketing divisions over a ten (10) year period.

In 1988, she joined G-Team Consultants as a general manager. G-Team Consultants acted as the corporate consultant for the marketing operations of RTM from 1988 to 2000.

She subsequently joined WMSB in 1994 as an executive director and assisted in drawing up the blueprint proposal that secured the concession for Westports. She oversaw both marketing and operational leadership roles until 2008, especially in container operations.

She was re-designated as our Non-Independent Non-Executive Director in 2008.

Dato' Abdul Rahim Bin Abu Bakar is our Independent Non-Executive Director.

He obtained a Bachelor of Science (Honours) degree in Electrical Engineering from Brighton College of Technology, UK in 1969. He is a Professional Engineer registered with the Board of Engineers Malaysia, a member of the Institute of Engineers Malaysia and holds the Electrical Engineer Certificate of Competency Grade 1.

He started his career with National Electricity Board ("**NEB**") of the States of Malaya in 1969 and served the organisation until 1979, holding various technical and engineering positions. His last position in NEB was as a senior district manager.

From 1979 to 1983, he joined Pernas Charter Management Sdn Bhd, a management company for the tin mining industry as an area electrical engineer and subsequently in late 1983, he was appointed to the post of chief electrical engineer.

In 1984, he moved to Malaysia Mining Corporation Berhad ("**MMC**") as the general manager in business development until 1991. In November 1991, he was appointed as the managing director of MMC Engineering Services Sdn Bhd and later as managing director of MMC Engineering Group Bhd.

In May 1995, he joined PETRONAS Gas Berhad ("**PGB**") to assume the position of managing director and chief executive officer, until August 1999. In September 1999, he moved on to take up the post of vice president of Petroliam Nasional Berhad (**"PETRONAS")**, in charge of the petrochemical business.

He retired from PETRONAS on 31 August 2002 and subsequently resigned from all board positions within the PETRONAS group. He was then appointed as an independent consultant to PETRONAS for a period of six (6) months after his retirement. Thereafter, he was appointed to the board of several private and public companies.

Dato' Yusli Bin Mohamed Yusoff is our Independent Non-Executive Director.

He graduated with a Bachelor of Economics degree from University of Essex, UK in 1981 and is a member of the Institute of Chartered Accountants in England and Wales, the Malaysian Institute of Accountants and is also an honorary member of the Institute of Internal Auditors Malaysia.

He began his career with Peat, Marwick, Mitchell & Co in London, UK in late 1981 and subsequently joined Hugin Sweda PLC, London in 1986 before returning to Malaysia in 1990. He then held various key positions in a number of public listed and private companies in Malaysia including senior financial and general management roles within Renong group before leaving as chief operating officer/executive director of Renong Berhad in 1995. He was group managing director of Shapadu Corporation Sdn Bhd from 1995 to 1996 and chief general manager of Sime Merchant Bankers Berhad from 1996 to 1998. He served concurrently as executive vice chairman of Intria Berhad and managing director of Metacorp Berhad from 1998 to 1999. He then ventured into stockbroking as the chief executive director of CIMB Securities Sdn Bhd from 2000 to 2004.

He served as chief executive officer / executive director of Bursa Malaysia Berhad ("**Bursa Malaysia**") from 2004 to 2011 and led Bursa Malaysia to its listing in 2005. He also served as a director of the Capital Market Development Fund from 2004 to 2011, was chairman of the Association of Stockbroking Companies Malaysia in 2003/2004 and was a member of the executive committee of the Financial Reporting Foundation of Malaysia from 2004 to 2011.

Currently, he serves as an independent non-executive director on the board of YTL Power International Berhad, Mulpha International Berhad, Mudajaya Group Berhad (also as chairman) and AirAsia X Berhad. He also sits on the board of Asian Institute of Finance Berhad, Pelaburan MARA Berhad (also as deputy chairman) and several other private limited companies.

Jeyakumar a/l T Palakrishnar is our Independent Non-Executive Director.

He obtained a Bachelor of Law (Honours) degree from University of London, UK in 1993 and was called to the Malaysian Bar in 1995 and has since been practising as an advocate and solicitor. He began his career with Hamzah Daud Daros & Siti Nor in 1995. He is the founding partner of the legal firm, Messrs Zahir Jeya & Zainal, established in 1996. He also serves as a panel member of the Disciplinary Committee appointed by the Malaysian Bar Advocates & Solicitors' Disciplinary Board.

Tan Sri Ismail Bin Adam is our Independent Non-Executive Director.

He obtained a Bachelor of Arts (Economics) degree from University of Malaya in 1972, a Diploma in Public Administration from University of Malaya in 1975 and a Master of Arts (Economics) from Vanderbilt University, US in 1979. He has attended the Advanced Management Program at Harvard Business School in Boston, US in 2002.

He started his career in 1972 as an assistant director with the Administrative and Diplomatic Service of the Ministry of Trade and Industry. Throughout his career with the civil service, he has held senior positions including Chief Administrative Officer in the Department of Statistics Malaysia, Director General of the National Productivity Corporation (now known as the Malaysia Productivity Corporation), the Secretary General of the Ministry of Health and the Director General of Public Service. He retired from civil service in 2010.

Currently, he serves as an independent non-executive director of BIMB Holdings Berhad, as a chairman/non-executive director of Syarikat Prasarana Negara Berhad and as an independent non-executive director of Malaysian Pharmaceutical Industries Sdn Bhd.

Kim, Young So is our Independent Non-Executive Director.

He graduated with a Bachelor of Arts degree in Business Administration from Korea University, South Korea in 1985 and subsequently obtained his Masters in Business Administration from George Washington University, US, in 1988. He also attended executive courses at The Wharton School of the University of Pennsylvania, US.

He began his career with Banque Paribas as a manager of the corporate banking division in 1989. He joined Dow Chemical Korea Ltd in 1992 as a credit manager and was subsequently promoted to a treasurer in 1994. In 1996, he joined Hanjin Shipping Co., Ltd. as a general manager and was subsequently promoted to a managing director for South East and West Asia. In 2009, he started an investment advisory business known as Braintrust Partner Co., Ltd. and has been the executive managing director since then. He is also a member of the Investment Committee of RRJ Capital group.

9.1.2 Our Directors' shareholding in our Company

The following table sets forth the direct and indirect shareholdings of each of our Directors before and after our IPO based on the Register of Directors' Shareholdings as at the date of this Prospectus:

	Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	-	-	1,533,070,000[(1)]	44.96	-	-	1,476,650,000[(1) (2)]	43.30
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	-	-	-	-	1,000,000	0.03	-	-
Ruben Emir Gnanalingam Bin Abdullah	-	-	2,046,000,000[(3)]	60.00	-	-	1,596,000,000[(2)(4)]	46.80
John Edward Wenham Meredith	-	-	-	-	-	-	-	-
Ip Sing Chi	-	-	-	-	-	-	-	-
Chan Chu Wei	-	-	-	-	1,000,000	0.03	-	-
Dato' Abdul Rahim Bin Abu Bakar	-	-	-	-	1,000,000	0.03	-	-
Dato' Yusli Bin Mohamed Yusoff	-	-	-	-	500,000	0.01	-	-
Jeyakumar a/l T Palakrishnar	-	-	-	-	500,000	0.01	-	-
Tan Sri Ismail Bin Adam	-	-	-	-	500,000	0.01	-	-
Kim, Young So	-	-	-	-	500,000	0.01	-	-

Notes:

(1) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB pursuant to Sections 69D and 6A(4) of the Act.

(2) Assuming the Over-Allotment Option is not exercised.

(3) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB, DISB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(4) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB and SASB pursuant to Sections 69D and 6A(4) of the Act.

9.1.3 Directorships and principal business activities performed outside our Group

The following table sets forth the directorships of our Directors in companies outside our Group in the past five (5) years up to the LPD, and the principal business activities outside our Group performed by our Directors as at the LPD:

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	*Present directorships:*		
	• Cascade Hills Sdn Bhd	Investment holding	-
	• G-Team Resources & Holding Sdn Bhd	Equity capital investments	-
	• Infinite Entertainment Sdn Bhd	Film production	-
	• MTT Learning Academy Sdn Bhd	Education centre	-
	• Old Putera Holdings Sdn Bhd *(An application to strike-off this company has been made under Section 308 of the Act)*	Investment holding	-
	• Pelangi Kinabalu Sdn Bhd	Property development and investment holding	-
	• Perdana Leadership Foundation	Foundation dedicated to leadership and national development	-
	• PRSB	Provision of management and consultancy services as well as investment holding	Shareholder
	• Razak School of Government	Business education and development	-
	• The Community Chest	Promotion of education	-
	• Westports International Sdn Bhd	Dormant	Shareholder

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam *(cont'd)*	*Previous directorships:*		None
	• Multimedia Development Corporation Sdn Bhd *(resigned on 1 May 2009)*	Directs and oversees Malaysia's national information and communications technology initiatives	
	• Yayasan Kebajikan Anak-Anak Yatim Malaysia *(resigned on 24 May 2010)*	Welfare foundation for orphans	
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	*Present directorships:*		
	• LionGold Corp Ltd	Gold mining, development and exploration	Shareholder and non-executive chairman
	• Megacrest Resources Sdn Bhd	Investment holding	-
	• Merit View Sdn Bhd	Property ownership	-
	• Moem Sdn Bhd	Manufacturing of office furniture	-
	• OCB Berhad	Holding company	Non-executive chairman
	• Sun Vibrant Sdn Bhd	Investment holding	-
	• Syabas Haluan Sdn Bhd	Manufacturing of furniture and investment holding	-
	• The Think Environmental Co. Sdn Bhd	Green energy	-
	• Transasia Assets Sdn Bhd	Investment holding	-
	Previous directorships:		
	• Adjuvant Resources Berhad *(resigned on 15 May 2009)*	Investment holding	-
	• Dataran Nova Sdn Bhd *(resigned on 11 April 2011)*	Development in agriculture	-
	• Palm Resort Berhad *(resigned on 21 May 2012)*	Golf and resort development	-
	• Octagon Consolidated Berhad *(resigned on 25 April 2013)*	Holding company	-
Ruben Emir Gnanalingam Bin Abdullah	*Present directorships:*		
	• Astute Capital International Limited	Dormant	-
	• ASV Services Sdn Bhd	Sports ownership	-
	• Cohen's Lifestyle Clinique – Singapore Pte Ltd	Health programs	-
	• DISB	Investment holding	Shareholder

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Ruben Emir Gnanalingam Bin Abdullah *(cont'd)*	• Feast Meets West Sdn Bhd (An application to strike-off this company has been made under Section 308 of the Act)	Dormant	-
	• GRYSS Holdings Sdn Bhd	Investment holding	-
	• Hutchison Logistics Malaysia Sdn Bhd	Dormant	-
	• Kaiser Jack Sdn Bhd	Dormant	-
	• KL Dragons Sdn Bhd	Organising, administering and managing sport activities and other entertainment events	-
	• Kuala Lumpur Business Club	Organisation for business and corporate advocacy, networking and economic growth	-
	• Makmal Jaya Sdn Bhd	Dormant	-
	• MTT Learning Academy Sdn Bhd	Education centre	-
	• PRSB	Provision of management and consultancy services as well as investment holding	Shareholder
	• Rangers Developments Limited	Development and sales of real estate	Shareholder
	• Rangers Stadium Development Limited	Development of multipurpose stadium	-
	• SASB	Investment holding	Shareholder
	• Tune QPR Sdn Bhd	Investment holding for Queens Park Rangers Football Club	-
	• Westports International Sdn Bhd	Dormant	Shareholder
	Previous directorships:		None
	• All Brilliant Resources Sdn Bhd (resigned on 16 June 2011)	Dormant	
	• Cohen's Lifestyle Centre (Malaysia) Sdn Bhd (resigned on 28 June 2011)	Dormant	
	• Karna Global Technologies Sdn Bhd (dissolved on 21 January 2013)	Global software solutions provider	
	• Pakarlabs Sdn Bhd (struck-off on 24 September 2012)	Dormant	

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Ruben Emir Gnanalingam Bin Abdullah *(cont'd)*	• Positif Promosi Sdn Bhd *(resigned on 1 July 2011)*	Dormant	
	• Soul Foods Sdn Bhd *(resigned on 29 October 2010)*	Dormant	
	• Untung Murni Sdn Bhd *(dissolved on 21 October 2011)*	General traders	

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9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith	*Present directorships:*	
	• Abundant Glory Limited[1]	-
	• Actionfirm Limited[1]	-
	• Alexandria International Container Terminals Company S.A.E.[1]	-
	• Amsterdam Container Terminals B.V.[1]	-
	• Amsterdam Marine Terminals B.V.[1]	-
	• Amsterdam Port Holdings B.V.[1]	-
	• Amsterdam Port Investments B.V.[1]	-
	• APM Terminals Dachan Company Limited[1]	-
	• Aqaba Terminal Services Limited[1]	-
	• Asia Container Terminals French Leasing Limited[1]	-
	• Asia Container Terminals Holdings Limited[1]	-
	• Asia Container Terminals Limited[1]	-
	• Bahama Reef Limited[2]	Chairman
	• Bahamas Golf Holdings Limited[2]	-
	• Barcelona Europe South Terminal, S.A. *(formerly known as Servicio Material Portuario, S.A.)*[1]	Chairman
	• Best Month Profits Limited[1]	-
	• Best Oasis Holdings Limited[1]	-
	• Best People Resources Limited[1]	-
	• Birdwood Developments Limited[1]	-
	• Birrong Limited[1]	-
	• Brisbane Container Terminals Pty Limited[1]	-
	• Buenos Aires Container Terminal Services S.A.[1]	Chairman
	• Champion Rings Limited[1]	-
	• China Terminal Services Holding Company Limited[1]	-
	• Classic Diamond Limited[1]	-
	• Classic Mandate Limited[1]	-
	• Classic Outlook Investments Limited[1]	-
	• Clivedon Limited[1]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• CLK Limited[1]	-
	• Coastal Work Logistics Limited[1]	-
	• Container Security Inc.[1]	-
	• COSCO-HIT Terminals (Hong Kong) Limited[1]	Deputy chairman
	• Cultural Mark Limited[1]	-
	• Dawning Company Limited[1]	-
	• Deal Magic Inc.[1]	President
	• Deal Market Resources Limited[1]	-
	• Dolphin Blue Limited[1]	-
	• Drew Investments Limited[1]	-
	• Ensemable Limited[1]	-
	• Ensenada Cruiseport Village, S.A. de C.V.[1]	-
	• Ensenada International Terminal, S.A. de C.V.[1]	-
	• Entreport Holdings Limited[1]	-
	• Euromax Terminal Rotterdam B.V.[1]	-
	• Europe Container Terminals B.V.[1]	Supervisory director
	• Everup Profits Limited[1]	-
	• FCP Holdings Limited[1]	President
	• Fentilla Investments Limited[2]	-
	• Freeport Container Port Limited[1]	President
	• Freeport Development Company Limited[1]	President
	• Freeport Harbour Company Limited[1]	President
	• Freeport Management Services Limited[1]	President
	• Freeport Maritime Services Limited[1]	President
	• Gdynia Container Terminal S.A.[1]	Supervisory director and chairman of supervisory board
	• Gennimity Limited[1]	-
	• Giantfield Resources Limited[1]	-
	• Global Voyage Limited[1]	-
	• Gold Avenue Holdings Limited[1]	

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Golf Club Holdings Limited[(2)]	-
	• Goveram Limited[(2)]	-
	• Grand Bahama General Holdings Limited[(2)]	-
	• Grand Bahama Realty, Limited[(2)]	-
	• Grand Business Management Limited[(1)]	-
	• Harbour Plaza Marketing Inc.[(2)]	-
	• HIT Enterprises Limited[(1)]	-
	• HIT Finance Limited[(1)]	-
	• HIT Holdings Limited[(1)]	Deputy chairman and chief executive
	• HIT Investments Limited[(1)]	Deputy chairman and chief executive
	• HIT Resources Limited[(1)]	-
	• Hongkong International Terminals Limited[(1)]	Deputy chairman and chief executive
	• Hongkong Technical Consulting Limited[(1)]	-
	• Hongkong United Dockyards Limited[(1)]	-
	• HPH[(1)]	Managing director
	• HPH Corporate Services Limited[(1)]	-
	• HPH Corporate Services Sdn Bhd[(1)] *(company in members' voluntary liquidation)*	-
	• HPH Domain Names Limited[(1)]	-
	• HPH E.Commerce Limited[(1)]	-
	• HPH Information Services (Hong Kong) Limited[(1)]	-
	• HPH IT Consultants Limited[(1)]	-
	• HPH Properties Limited[(1)]	-
	• HPH Secretarial Services Limited[(1)]	-
	• HPHT Limited[(1)]	-
	• Huming Limited[(1)]	-
	• Hutchison Ajman International Terminals Limited - F.Z.E.[(1)]	-
	• Hutchison Atlantic Limited[(1)]	Deputy chairman
	• Hutchison Cooperatief B.A.[(1)]	-
	• Hutchison Development (Bahamas) Limited[(2)]	Chairman

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Hutchison Freeport Holdings Limited[(1)]	President
	• Hutchison Freeport Investments Limited[(1)]	-
	• Hutchison Harcourt Limited[(1)]	-
	• Hutchison Inland Container Depots (HK) Limited[(1)]	-
	• Hutchison Inland Container Depots Limited[(1)]	-
	• Hutchison International Ports Enterprises Limited[(1)]	-
	• Hutchison Korea Terminals Limited[(1)]	-
	• Hutchison Laemchabang Terminal Limited[(1)]	-
	• Hutchison Logistics (HK) Limited[(1)]	-
	• Hutchison Logistics Australia Pty Ltd[(1)]	-
	• Hutchison Logistics Limited[(1)]	-
	• Hutchison Lucaya Limited[(2)]	Chairman
	• Hutchison Port Holdings Management Pte. Limited[(1)]	Deputy chairman and non-executive director
	• Hutchison Ports (Bahamas) Holdings Limited[(1)]	President
	• Hutchison Ports (Bahamas) Limited[(1)]	President
	• Hutchison Ports (Panama), S.A.[(1)]	President
	• Hutchison Ports (Thailand) Limited[(1)]	-
	• Hutchison Ports Antilles N.V.[(1)]	-
	• Hutchison Ports Arabian Gulf Investments Limited[(1)]	-
	• Hutchison Ports Australia Pty Limited[(1)]	-
	• Hutchison Ports Beijing Limited[(1)]	-
	• Hutchison Ports Cambodia Limited[(1)]	-
	• Hutchison Ports China Limited[(1)]	Chairman
	• Hutchison Ports Haicang Limited[(1)]	-
	• Hutchison Ports Huizhou Land (HK) Limited[(1)]	-
	• Hutchison Ports Huizhou Limited[(1)]	-
	• Hutchison Ports Huizhou Phase I (HK) Limited[(1)]	-
	• Hutchison Ports Indonesia Limited[(1)]	-
	• Hutchison Ports Indonesia Pte Ltd[(1)]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Hutchison Ports Infrastructure Limited(1)	-
	• Hutchison Ports Jiangmen Investment Limited(1)	-
	• Hutchison Ports Jiangmen Limited(1)	-
	• Hutchison Ports Limited(1)	-
	• Hutchison Ports Mexico, S.A. de C.V.(1)	-
	• Hutchison Ports Myanmar Limited(1)	-
	• Hutchison Ports Nanhai Investment Limited(1)	-
	• Hutchison Ports Nanhai Limited(1)	-
	• Hutchison Ports Ningbo Limited(1)	-
	• Hutchison Ports Philippines Limited(1)	Managing director
	• Hutchison Ports Properties Limited(2)	-
	• Hutchison Ports Pudong Investment Limited(1)	-
	• Hutchison Ports Pudong Limited(1)	-
	• Hutchison Ports Shanghai Limited(1)	-
	• Hutchison Ports Shantou Investment Limited(1)	-
	• Hutchison Ports Shantou Limited(1)	-
	• Hutchison Ports Shenzhen East Limited(1)	-
	• Hutchison Ports South China Limited(1)	Chairman
	• Hutchison Ports Sweden AB(1)	-
	• Hutchison Ports Waigaoqiao (HK) Limited(1)	-
	• Hutchison Ports Waigaoqiao Limited(1)	-
	• Hutchison Ports Xiamen Investment Limited(1)	-
	• Hutchison Ports Xiamen Limited(1)	-
	• Hutchison Ports Yantian Investments Limited(1)	-
	• Hutchison Ports Yantian Limited(1)	Managing director
	• Hutchison Ports Zhuhai (Gaolan) Investment Limited(1)	-
	• Hutchison Ports Zhuhai (Gaolan) Limited(1)	-
	• Hutchison Ports Zhuhai Gaolan Phase 3 Limited(1)	-
	• Hutchison Ports Zhuhai Limited(1)	Managing director

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Hutchison Seaports Limited(1)	-
	• Hutchison Shenzhen East Investments Limited(1)	-
	• Hutchison Westport Investments Limited(1)	-
	• IIHC Pakistan Limited(1)	-
	• IIHC South Asia Limited(1)	-
	• Internacional de Contenedores Asociados de Veracruz, S.A. de C.V.(1)	-
	• International Ports Services Co. Ltd.(1)	-
	• Intrawood Limited(1)	-
	• Island Resorts Holdings Limited(2)	-
	• Japuri Limited(2)	-
	• Jiangmen International Container Terminals Limited(1)	-
	• Korea International Terminals Limited(1)	-
	• L.C. Multipurpose Terminal, S.A. de C.V.(1)	-
	• L.C. Terminal Portuaria de Contenedores, S.A. de C.V.(1)	-
	• Langer Holdings Ltd.(1)	-
	• Leedej Limited(2)	-
	• LoadStar (USA) Inc.(1)	President
	• Lucaya Golf Club Limited(2)	Chairman
	• Lucaya Service Company Limited(2)	-
	• Lucrative Paradise Limited(1)	-
	• Macedonia Limited(2)	-
	• Maple West Limited(1)	-
	• Market Power Limited(1)	-
	• Max Crystal Limited(2)	-
	• Mayeswood Limited(1)	-
	• Melbourne International Automotive Terminals Pty Limited(1)	-
	• Melbourne International Container Terminals Pty Limited(1)	-
	• Million Choices Limited(1)	-
	• More Choice Resources Limited(1)	-

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Myanmar International Terminals Thilawa Limited(1)	Chairman
	• Myanmar International Terminals Thilawa Private Limited(1)	Chairman
	• Nanhai International Container Terminals Limited(1)	-
	• Needbury Investments Limited(1)	-
	• NGB Express Lines, S.A.P.I. de C.V.(1)	-
	• Oasis Hope Limited(1)	-
	• Oman International Container Terminal L.L.C.(1)	-
	• OnePort Holdings (BVI) Limited(1)	-
	• OnePort IP (BVI) Limited(1)	-
	• OnePort Limited(1)	-
	• OnePort Systems (BVI) Limited(1)	-
	• Opportunity Window Limited(1)	-
	• Orient-Triumph Investments Limited(1)	-
	• Oulette Limited(2)	-
	• Panama Ports Company, S.A.(1)	President
	• Patton Profits Limited(1)	-
	• Peakview Limited(2)	-
	• Pearl Spirit Limited(1)	-
	• Polar Sky Resources Limited(1)	-
	• Promotora Portuaria ICAVE, S.A. de C.V., SOFOM, ENR(1)	-
	• Purepearl Limited(2)	-
	• Repute International Limited(1)	-
	• Right Trend Enterprises Limited(1)	-
	• Ritello Limited(2)	-
	• River Trade Terminal Co. Ltd.(1)	Chairman
	• River Trade Terminal Holdings Limited(1)	Chairman
	• River Trade Terminal Investment Limited(1)	-
	• Saigon International Terminals Vietnam Limited(1)	-
	• Seasonal Logistics Limited(1)	-
	• Shanghai Container Terminals Limited(1)	Vice chairman

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Shanghai Mingdong Container Terminals Limited[(1)]	-
	• Shantou International Container Terminals Limited[(1)]	Chairman
	• Sharbara Limited[(2)]	-
	• Shenzhen Yantian West Port Terminals Limited[(1)]	-
	• Sigma Enterprises Limited[(1)]	-
	• Sihanoukville International Terminals Limited[(1)]	Chairman
	• SJBG (Thailand) Limited[(1)]	-
	• South Asia Pakistan Terminals Limited[(1)]	-
	• Splendid Century Limited[(1)]	-
	• Sucess One Developments Limited[(1)]	-
	• Sydney International Container Terminals Pty Ltd[(1)]	-
	• Talleres Navales del Golfo, S.A. de C.V.[(1)]	Chairman
	• Tanzania International Container Terminal Services Limited[(1)]	Chairman
	• Taranto Container Terminal S.p.A.[(1)]	-
	• Terminal Catalunya, S.A.[(1)]	Chairman
	• Terminal Intermodal Logistica de Hidalgo, S.A.P.I. de C.V.[(1)]	-
	• Terminal Internacional de Manzanillo, S.A. de C.V.[(1)]	-
	• Tevako Investments Limited[(1)]	-
	• Thai Laemchabang Terminal Co., Ltd.[(1)]	-
	• The Grand Bahama Airport Company Limited[(1)]	President
	• The Grand Bahama Development Company Limited[(2)]	-
	• The Hongkong Salvage and Towage Company Limited[(1)]	-
	• Umford Limited[(1)]	-
	• USKEA Limited[(1)]	-
	• Victory Capital Developments Limited[(1)]	-
	• Wattrus Limited[(1)]	-
	• Wealthy Man Profits Limited[(1)]	-
	• Xiamen Haicang International Container Terminals Limited[(1)]	-
	• Xiamen International Container Terminals Limited[(1)]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Yantian International Container Terminals (Phase III) Limited[1]	-
	• Yantian International Container Terminals Limited[1]	-
	• Yarrum Holdings N.V.[1]	-
	• Zhuhai International Container Terminals (Gaolan Phase 2) Limited[1]	-
	• Zhuhai International Container Terminals (Gaolan) Limited[1]	-
	• Zhuhai International Container Terminals (Jiuzhou) Limited[1]	-
	Previous directorships:	-
	• Asia Port Services (HK) Limited[1] *(resigned on 15 March 2011)*	-
	• Asia Port Services Limited[1] *(resigned on 15 March 2011)*	-
	• Aztec Villa Resources Limited[1] *(resigned on 15 March 2011)*	-
	• Bajacorp, S.A. de C.V.[1] *(resigned on 18 November 2009)*	-
	• Baobab Investments Limited[1] *(resigned on 7 December 2011)*	-
	• Brilliant Voyage Limited[1] *(resigned on 15 March 2011)*	-
	• Eckstein Resources Limited[1] *(resigned on 15 March 2011)*	-
	• ECT Beheer B.V.[1] *(resigned on 1 January 2009)*	-
	• Full Target Limited[1] *(resigned on 15 March 2011)*	-
	• Global Cargo (Thailand) Limited[1] *(resigned on 18 April 2012)*	-
	• Habour Five (Thailand) Co. Ltd.[1] *(resigned on 18 April 2012)*	-
	• Habour Four (Thailand) Co. Ltd.[1] *(resigned on 18 April 2012)*	-
	• Habour One (Thailand) Co. Ltd.[1] *(resigned on 18 April 2012)*	-
	• Habour Three (Thailand) Co. Ltd.[1] *(resigned on 18 April 2012)*	-

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Habour Two (Thailand) Co. Ltd.[1] *(resigned on 18 April 2012)*	-
	• Harwich International (Holdings) Limited[1] *(resigned on 15 March 2010)*	-
	• Harwich International Port Limited[1] *(resigned on 15 March 2010)*	-
	• HIT Technical Services Limited[1] *(resigned on 15 March 2011)*	-
	• Hongkong Technical Services Limited[1] *(dissolved on 23 May 2009)* *(resigned on 23 May 2009)*	-
	• Hutchison CSI Holdings Limited[1] *(resigned on 28 May 2009)*	-
	• Hutchison CSI Limited[1] *(resigned on 28 May 2009)*	-
	• Hutchison Delta Ports Investment Limited[1] *(resigned on 9 September 2009)*	-
	• Hutchison Delta Ports Limited[1] *(resigned on 12 November 2009)*	-
	• Hutchison Ports (Europe) Limited[1] *(resigned on 15 March 2010)*	-
	• Hutchison Ports (UK) Finance Plc[1] *(resigned on 15 March 2010)*	-
	• Hutchison Ports (UK) Limited[1] *(resigned on 15 March 2010)*	-
	• Hutchison Ports Korea Limited[1] *(resigned on 23 August 2012)*	-
	• Hutchison Ports Management Limited[1] *(resigned on 11 September 2008)*	-
	• Hutchison Ports Technical Services Limited[1] *(resigned on 11 September 2008)*	-
	• Hutchison Ports Zhuhai (Jiuzhou) Port Operations Ltd.[1] *(resigned on 31 August 2011)*	-
	• Hutchison Westports Limited[1] *(resigned on 15 March 2010)*	Deputy chairman
	• Hutchison Yantian Railway (HK) Limited[1] *(resigned on 15 March 2011)*	-
	• Hutchison Yantian Railway Limited[1] *(resigned on 15 March 2011)*	-

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Izmir Liman Isletmeciligi A.S.[1] *(resigned on 17 May 2011)*	Vice chairman
	• Karachi International Container Terminal Limited[1] *(resigned on 6 February 2009)*	-
	• Laemchabang International Ro-Ro Terminal Limited[1] *(resigned on 18 April 2012)*	-
	• Leading Edge Logistics (HK) Limited[1] *(resigned on 15 March 2011)*	-
	• Legend Container Line Limited[1] *(resigned on 15 March 2011)*	-
	• Logistics Information Network Enterprise (UK) Limited[1] *(resigned on 15 March 2010)*	-
	• Logistics Information Network Enterprise Limited[1] *(resigned on 15 March 2011)*	-
	• Managesmart Limited[1] *(resigned on 30 April 2013)*	-
	• Maritime Transport Services Limited[1] *(resigned on 15 March 2010)*	-
	• MTS (Holdings) Limited[1] *(resigned on 15 March 2010)*	-
	• Pocket Angel Limited[1] *(resigned on 15 March 2011)*	-
	• Pointo Enterprises Ltd.[1] *(resigned on 23 April 2013)*	-
	• Port of Felixstowe Limited[1] *(resigned on 15 March 2010)*	Chairman
	• Portsnportals Enterprises (Bahamas) Limited[1] *(resigned on 15 March 2011)*	-
	• Portsnportals Enterprises Limited[1] *(resigned on 15 March 2011)*	-
	• Sakoma (HK) Limited[1] *(resigned on 15 March 2011)*	-
	• Savi Networks LLC[1] *(dissolved on 6 July 2012)* *(resigned on 6 July 2012)*	-
	• Seaports Management B.V.[1] *(resigned on 3 August 2009)*	-
	• Step West Resources Limited[1] *(resigned on 15 March 2011)*	-
	• SupplyLINE Logistics Limited[1] *(resigned on 15 March 2011)*	-

Name	Directorships	Involvement in business activities other than as a director
John Edward Wenham Meredith *(cont'd)*	• Terminales Internacionales De Ecuador S.A.[1] *(resigned on 4 May 2009)*	-
	• The Felixstowe Dock and Railway Company[1] *(resigned on 15 March 2010)*	Deputy chairman
	• Trade Infolink (UK) Limited[1] *(resigned on 15 March 2010)*	-
	• TransHub Limited[1] *(resigned on 15 March 2011)*	-
	• TransPayment Limited[1] *(resigned on 15 March 2011)*	-
	• Transportation Community Network Limited[1] *(resigned on 24 November 2010)*	-
	• Treelane Limited[1] *(resigned on 15 March 2010)*	-
	• Walton Container Terminal Limited[1] *(resigned on 15 March 2010)*	-
	• Wide Ocean Limited[1] *(resigned on 11 September 2008)*	-
Ip Sing Chi	*Present directorships:*	
	• Amsterdam Container Terminals B.V.[1]	-
	• Amsterdam Marine Terminals B.V.[1]	-
	• Amsterdam Port Holdings B.V.[1]	-
	• APM Terminals Dachan Company Limited[1]	-
	• Asia Container Terminals French Leasing Limited[1]	-
	• Asia Container Terminals Holdings Limited[1]	-
	• Asia Container Terminals Limited[1]	-
	• Asia Port Services (HK) Limited[1]	-
	• Asia Port Services Limited[1]	-
	• Aztec Villa Resources Limited[1]	-
	• Beijing Leading Edge Container Services Company Limited[1]	-
	• Birdwood Developments Limited[1]	-
	• Birrong Limited[1]	-
	• Brilliant Voyage Limited[1]	-
	• Champion Rings Limited[1]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Ip Sing Chi *(cont'd)*	• China Terminal Services Holding Company Limited[1]	-
	• Classic Diamond Limited[1]	-
	• Classic Mandate Limited[1]	-
	• Classic Outlook Investments Limited[1]	-
	• Clear Target Limited[1]	-
	• Container Security Inc.[1]	-
	• COSCO-HIT Terminals (Hong Kong) Limited[1]	-
	• COSCO Pacific Limited[3]	Independent non-executive director
	• Country Win Development Limited[1]	-
	• Delta Port Investments B.V.[1]	-
	• Eckstein Resources Limited[1]	-
	• Elite New Profits Limited[1]	Chairman
	• Ensemable Limited[1]	-
	• Everup Profits Limited[1]	-
	• Fargreater Limited[1]	-
	• Five Continents Investments Inc.[1]	-
	• Floata Consolidation Limited[1]	-
	• Floata Holdings Limited[1]	-
	• Floata International B.V.I. Limited[1]	-
	• Full Target Limited[1]	-
	• Giantfield Resources Limited[1]	-
	• Global Voyage Limited[1]	-
	• Gobalwide Resources Limited[1]	-
	• Gold Avenue Holdings Limited[1]	-
	• Goldtop Associates Limited[1]	-
	• Highcross Limited[1]	-
	• Highscope International Limited[1]	-
	• Hillstar Assets Limited[1]	-
	• HIT Enterprises Limited[1]	-
	• HIT Finance Limited[1]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Ip Sing Chi *(cont'd)*	• HIT Holdings Limited[1]	-
	• HIT Investments Limited[1]	-
	• HIT Resources Limited[1]	-
	• HIT Technical Services Limited[1]	-
	• Hongkong International Terminals Limited[1]	-
	• Hongkong Technical Consulting Limited[1]	-
	• HPH[1]	-
	• HPH E.Commerce Limited[1]	-
	• HPH Information Services (Hong Kong) Limited[1]	-
	• HPH IT Consultants Limited[1]	-
	• HPHT Enterprises Limited[1]	-
	• HPHT Limited[1]	-
	• Hutchison Inland Container Depots (HK) Limited[1]	-
	• Hutchison Inland Container Depots Limited[1]	-
	• Hutchison Logistics (HK) Limited[1]	-
	• Hutchison Logistics (Shanghai) Limited[1]	Chairman
	• Hutchison Logistics Limited[1]	-
	• Hutchison Port Holdings Management Pte. Limited[1]	-
	• Hutchison Ports Beijing Limited[1]	-
	• Hutchison Ports Jakarta Pte Limited[1]	-
	• Hutchison Ports Shenzhen West Limited[1]	-
	• Hutchison Ports South China Limited[1]	Managing director
	• Hutchison Ports Yantian Investments Limited[1]	-
	• Hutchison Ports Yantian Limited[1]	-
	• Hutchison Shenzhen East Investments Limited[1]	-
	• Hutchison SupplyLINE Logistics (Shanghai) Co., Ltd.[1]	Chairman
	• Hutchison Yantian Railway (HK) Limited[1]	-
	• Hutchison Yantian Railway Limited[1]	-
	• Hyundai Merchant Marine Co., Ltd.[1]	-
	• Keen Source Limited[1]	-

Name	Directorships	Involvement in business activities other than as a director
Ip Sing Chi *(cont'd)*	• Keycentral Developments Limited[(1)]	-
	• Leading Edge Logistic & Cargo Services Limited[(1)]	-
	• Leading Edge Logistics (HK) Limited[(1)]	-
	• Legend Container Line Limited[(1)]	-
	• Lego Consolidator and Warehouse Company Limited[(1)]	-
	• Lego Shipping Company Limited[(1)]	-
	• LoadStar (USA) Inc.[(1)]	-
	• Logistics Information Network Enterprise Limited[(1)]	-
	• Market Vantage Limited[(1)]	-
	• Mercury Sky Group Limited[(1)]	-
	• Metrotime Profits Limited[(1)]	Chairman
	• Mid-Stream Holdings (H.K.) Limited[(1)]	-
	• Mid-Stream Holdings (HK) Limited[(1)]	-
	• More Choice Resources Limited[(1)]	-
	• NTN B.V.[(1)]	-
	• Often Best Limited[(1)]	-
	• OnePort Holdings (BVI) Limited[(1)]	-
	• OnePort IP (BVI) Limited[(1)]	-
	• OnePort Limited[(1)]	-
	• OnePort Systems (BVI) Limited[(1)]	-
	• Orient-Triumph Investments Limited[(1)]	-
	• Patton Profits Limited[(1)]	-
	• Pearl Spirit Limited[(1)]	-
	• Peninsula International Limited[(1)]	-
	• Plenty Centre Limited[(1)]	-
	• Pocket Angel Limited[(1)]	-
	• Polycare Company Limited[(1)]	-
	• Polyton International Limited[(1)]	-
	• Portsnportals Enterprises (Bahamas) Limited[(1)]	-
	• Portsnportals Enterprises Limited[(1)]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Ip Sing Chi *(cont'd)*	• Power Day Limited[1]	-
	• Richfair Engineering Limited[1]	-
	• Right Trend Enterprises Limited[1]	-
	• River Trade Terminal Co. Ltd.[1]	-
	• River Trade Terminal Holdings Limited[1]	-
	• River Trade Terminal Investment Limited[1]	-
	• Sakoma (HK) Limited[1]	-
	• Senior Win Limited[1]	-
	• Shantou International Container Terminals Limited[1]	-
	• Shenzhen Hutchison Inland Container Depots Co., Ltd.[1]	Chairman
	• Shenzhen Leading Edge Container Services Company Limited[1]	Chairman
	• Shenzhen Leading Edge Port Services Company Limited[1]	Chairman
	• Shenzhen Pingyan Multimodal Company Limited[1]	Chairman
	• Shenzhen Yantian Tugboat Company Limited[1]	Vice chairman
	• Shenzhen Yantian West Port Terminals Limited[1]	Chairman
	• Sigma Enterprises Limited[1]	-
	• Southocean Resources Limited[1]	-
	• Splendid Century Limited[1]	-
	• Step West Resources Limited[1]	-
	• Strategic Investments International Limited[1]	-
	• Success One Developments Limited[1]	-
	• Success Terminals Limited[1]	-
	• SupplyLINE Logistics Limited[1]	-
	• Taranto Container Terminal S.p.A.[1]	-
	• Teamfair Shipping Limited[1] *(in members' voluntary liquidation)*	-
	• The Hongkong Salvage & Towage Company Limited[1]	-
	• Tonsan Limited[1]	-
	• TransHub Limited[1]	-
	• TransPayment Limited[1]	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Ip Sing Chi *(cont'd)*	• Transportation Community Network Limited[1]	-
	• Uni-Energy Limited[1]	-
	• Uni-Season Limited[1]	-
	• Wah Fai Tractors Service Company Limited[1]	-
	• Wattrus Limited[1]	-
	• Welling Shipping Limited[1]	-
	• Winner Shipping Limited[1]	-
	• Yantian International Container Terminals (Phase III) Limited[1]	Chairman
	• Yantian International Container Terminals Limited[1]	Chairman
	• Yantian Port International Information Company Limited[1]	Chairman
	Previous directorships:	
	• Beijing Bei Jian Tong Cheng International Logistics Company Limited[1] *(resigned on 5 February 2013)*	-
	• Country Ford Limited[1] *(dissolved on 4 November 2008)* *(resigned on 4 November 2008)*	-
	• Cultural Mark Limited[1] *(resigned on 22 October 2009)*	-
	• Hong Kong Container Terminal Operators Association Limited[1] *(resigned on 1 October 2011)*	Vice president
	• Hongkong Technical Services Limited[1] *(Dissolved on 23 May 2009)* *(resigned on 23 May 2009)*	-
	• Hongkong United Dockyards Limited[1] *(resigned on 7 June 2012 as alternate director)*	-
	• Hutchison Ports Limited[1] *(resigned on 21 January 2010)*	-
	• Mid-Stream Container Repair and Servicing Limited[1] *(resigned on 12 September 2012)*	-
	• Shenzhen Hutchison Whampoa Logistics Limited[1] *(resigned on 9 July 2013)*	Vice chairman
	• Top Full Limited[1]*(dissolved on 5 April 2010)* *(resigned on 5 April 2010)*	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Notes:

(1) The principal activities are, without limitation, investment holding or engaging activities in the operation, management and development of ports and container terminals.

(2) The principal activities are, without limitation, investment holding or engaging activities in the operation, management and development of hotels and properties.

(3) The principal activities are managing and operating terminals, container leasing, management and sale, container manufacturing and their related businesses.

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9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Chan Chu Wei	*Present directorships:*		
	• Beverly Hills Resources Sdn Bhd	Property development	Shareholder
	• PRSB	Provision of management and consultancy services as well as investment holding	-
	• Westports International Sdn Bhd	Dormant	-
	Previous directorship:		None
	• VTC Resources Sdn Bhd *(resigned on 8 March 2010)*	Dormant	
Dato' Abdul Rahim Bin Abu Bakar	*Present directorships:*		None
	• Crestbeam Sdn Bhd	Property investment	
	• Everneon Design Sdn Bhd	Property investment	
	• Flex Symphony Ventures Sdn Bhd	Property investment	
	• Flex Wize Sdn Bhd	Property investment	
	• Global Maritime Ventures Berhad	Venture capitalist	
	• MapleFusion Sdn Bhd	Property investment	
	• Powergize Equity Sdn Bhd	Property investment	
	• Serenity Paradise Sdn Bhd	Property investment	
	• Scomi Engineering Berhad	Manufacturing, transport and equipment	
	• Scomi Group Berhad	Investment holding	
	• Telekom Malaysia Berhad	Telecommunication	
	Previous directorships:		None
	• Bank Pembangunan Malaysia Berhad *(resigned on 30 November 2009)*	Finance	
	• BICL Berhad *(resigned on 30 November 2009)*	Finance	

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Abdul Rahim Bin Abu Bakar *(cont'd)*	• IDFC Limited *(resigned on 26 October 2012)*	Finance	
	• Opus Group Berhad *(resigned on 4 June 2010)*	Engineering consultancy	
	• Pembangunan Leasing Corporation Sdn Bhd *(resigned on 30 November 2009)*	Leasing	
	• PLC Credit and Factoring Sdn Bhd *(resigned on 30 November 2009)*	Finance	
	• UEM Builders Berhad *(resigned on 1 June 2010)*	Construction	
	• UEM Group Berhad *(resigned on 1 June 2010)*	Investment holding	
	• Urban Transit Pvt Ltd *(resigned on 21 October 2011)*	Transportation equipment	
	• UEM World Berhad *(resigned on 20 October 2009)*	Investment holding	
Dato' Yusli Bin Mohamed Yusoff	*Present directorships:*		
	• AirAsia X Berhad	Providing low-cost, long-haul air transportation services	-
	• Australaysia Resources & Minerals Berhad	Investment holding	Shareholder and executive chairman
	• Asian Institute of Finance Berhad	Effective delivery of training programmes for financial services industry, talent development for financial industry workforce	-
	• Corvettes (M) Sdn Bhd	Dormant	-
	• Dato' H.M. Shah Foundation	Foundation / welfare works	-
	• Desiran Johan Sdn Bhd	Property development	-
	• Efico Services Sdn Bhd	Information technologies services, general trading and investment holdings	-
	• E-mam Kapitan Sdn Bhd	Investment holding	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Yusli Bin Mohamed Yusoff *(cont'd)*	• Esperanza Holdings Limited	Investment holding	-
	• Esperanza Management Advisors Sdn Bhd	Management consulting services	-
	• Imadan Maju Sdn Bhd	Investment holding	Shareholder
	• Mudajaya Group Berhad	Investment holding	Chairman
	• Mulpha International Berhad	Investment holding	-
	• Pelaburan MARA Berhad	Trading in marketable securities	Non-executive deputy chairman
	• Twinpac Automotive Parts Sdn Bhd	Dormant	-
	• YTL Power International Berhad	Investment holding and provision of administrative and technical support services	-
	Previous directorships:		
	• Ansar Perkasa Sdn Bhd *(resigned on 19 April 2012)*	Dormant	-
	• Bursa Depository *(resigned on 1 April 2011)*	Provide, operate and maintain a central depository for securities listed on the securities exchange	-
	• Bursa Malaysia Berhad *(resigned on 1 April 2011)*	Exchange holding company, whose principal activities are treasury management and the provision of management and administrative services to its subsidiaries	Chief executive officer
	• Bursa Malaysia Bonds Sdn Bhd *(resigned on 1 April 2011)*	Provide, operate and maintain an electronic trading platform for the bond market	-
	• Bursa Malaysia Depository Nominees Sdn Bhd *(resigned on 1 April 2011)*	Act as a nominee for Bursa Malaysia Depository and receive securities on deposit or for safe-custody or management	-
	• Bursa Malaysia Derivatives Clearing Berhad *(resigned on 1 April 2011)*	Provide, operate and maintain a clearing house for the derivatives exchange	-
	• Bursa Malaysia Derivatives Berhad *(resigned on 1 April 2011)*	Provide, operate and maintain a derivatives exchange	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Yusli Bin Mohamed Yusoff *(cont'd)*	• Bursa Malaysia Information Sdn Bhd *(resigned on 1 April 2011)*	Provide and disseminate prices and other information relating to securities quoted on exchanges within the group	-
	• Bursa Malaysia Islamic Services Sdn Bhd *(resigned on 1 April 2011)*	Provide, operate and maintain a Shari'ah compliant commodity trading platform	-
	• Bursa Malaysia Securities Clearing Sdn Bhd *(resigned on 1 April 2011)*	Provide, operate and maintain a clearing house for the securities exchange	-
	• Bursa Securities *(resigned on 1 April 2011)*	Provide, operate and maintain a securities exchange	-
	• Capital Market Development Fund *(resigned on 31 March 2011)*	Public fund for the development of the Malaysian capital market	-
	• D H Flinders Sdn Bhd *(resigned on 18 October 2012)*	Investment holding	-
	• Essex Alliance Sdn Bhd *(resigned on 28 February 2012)*	Investment holding	-
	• Integrated Strategic Communications Sdn Bhd *(resigned on 7 September 2012)*	Investment holding and the provision of management services	Non-executive deputy chairman
	• Labuan International Financial Exchange Inc *(resigned on 1 April 2011)*	Provide, operate and maintain an offshore financial exchange	-
	• Metrofirst Capital Sdn Bhd *(resigned on 1 April 2012)*	Investment holding. Provide, operate and maintain an offshore financial exchange	-
	• Pendidikan Industri YS Sdn Bhd *(resigned on 30 October 2008)*	To establish an organisation in the field of education which is industrial oriented	-
	• Saffron International Sdn Bhd *(resigned on 27 June 2013)*	Marketing and management of property	Shareholder
	• Securities Industry Development Corporation *(resigned on 1 April 2011)*	Education and training for the capital market participants	-
	• Tiretech Sdn Bhd *(Wound up)*	Tyres retreading and selling retread tyres	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Dato' Yusli Bin Mohamed Yusoff (*cont'd*)	• Yayasan Bursa Malaysia *(resigned on 28 April 2011)*	Foundation / welfare works	-
	• ZRE Private Equity Sdn Bhd *(resigned on 18 October 2012)*	Investment, real estate and general trading	-
Jeyakumar a/l T Palakrishnar	*Present directorships:*		None
	• Counsel & Consultancy Services Sdn Bhd	Consultancy and investment holding	
	• Counsel & Consultancy Synergy Sdn Bhd	Consultancy and investment holding	
	• SAS Old Boys Sdn Bhd	Promotion of education excellence	
Tan Sri Ismail Bin Adam	*Present directorships:*		
	• BIMB Holdings Berhad	Investment holding	-
	• Syarikat Prasarana Negara Berhad	Facilitate, coordinate, undertake and expedite the implementation of infrastructure projects approved by the GOM	Non-executive chairman
	• Malaysian Pharmaceutical Industries Sdn Bhd	Manufacturing of pharmaceutical products	-
Kim, Young So	*Present directorships:*		
	• Braintrust Partners Co., Ltd.	Investment advisory company	Shareholder
	• Doubling Asset Holding Ltd	Investment holding	-
	• Greenwich Asset Holding Ltd	Investment holding	-
	• Novolink Investments Limited	Investment holding	-
	• Progeny Capital Ltd	Investment holding	-
	• Ridley Capital Holding Ltd	Investment holding	-
	• RRJ Capital Ltd.	Investment management company	-
	• RRJ LNG INC	Investment holding	-
	• Senja Capital Ltd	Investment holding	-

Name	Directorships	Principal activities	Involvement in business activities other than as a director
Kim, Young So *(cont'd)*	*Previous directorships:*		
	• Hanjin Shipping Singapore Pte. Ltd. *(resigned on 30 June 2009)*	Shipping	-

9.1.4 Involvement of our Directors in other businesses or corporations which carry on a similar trade as that of our Group or which are our customers and/or suppliers

Save as disclosed below, as at the LPD, none of our Directors have any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group; or (ii) our customers and/or suppliers:

Name	Businesses/Corporations	Nature of interest	Direct interest	Indirect interest
			%	%
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	*Similar trade as that of our Group:* • PRSB	• Non-executive director and shareholder	60.0	-
Ruben Emir Gnanalingam Bin Abdullah	*Similar trade as that of our Group:* • PRSB	• Non-executive director and shareholder	40.0	-
John Edward Wenham Meredith	*Similar trade as that of our Group:* • Certain companies as set out in Section 9.1.3 of this Prospectus	• Director and other involvement as stated in Section 9.1.3 of this Prospectus	-	-
Ip Sing Chi	*Similar trade as that of our Group:* • Certain companies as set out in Section 9.1.3 of this Prospectus	• Director and other involvement as stated in Section 9.1.3 of this Prospectus	-	-
Chan Chu Wei	*Similar trade as that of our Group:* • PRSB	• Non-executive director	-	-

• The interest and directorship held by Tan Sri Datuk Gnanalingam a/l Gunanath Lingam and Ruben Emir Gnanalingam Bin Abdullah in PRSB do not affect their contribution to our Company because the day-to-day operations of PRSB are being managed by its management team comprising its chief investment officer, chief financial officer, property investment manager and other executive staff. In addition, the operations of PRSB are independent from the operations of our Group. Please refer to Section 9.5 of this Prospectus for further information on PRSB and its involvement in similar trade as that of our Group.

John Edward Wenham Meredith and Ip Sing Chi are directors in certain subsidiaries, associated companies and jointly controlled entities of HWL, and our Company. They are not involved in the management and day-to-day operations of our Company. For certain subsidiaries, associated companies and jointly controlled entities of HWL, they may from time to time, attend board meetings, and be involved in the policy making, strategic direction and commercial matters of these companies.

Chan Chu Wei is a non-executive director in both PRSB and our Company, and is not involved in the management and day-to-day operations of PRSB as well as our Company.

The interests held by our Directors in other businesses and corporations which are carrying on a similar trade as our Group or which are our customers and/or suppliers may give rise to a conflict of interest situation with our Group's business. Accordingly, such directors and persons connected to them are obliged to, if required by any law or regulation, abstain from deliberations and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. In the event such matters or transactions require the approval of the relevant board of directors of the companies in our Group including our Company, the directors on the relevant board who are conflicted in such matters or transactions by virtue of their relationship with our substantial shareholders or other relationship are obliged to, if required by any law or regulation, declare their interests to our Board, and similarly, abstain from deliberations and voting on the resolutions relating to these matters/transactions.

9.1.5 Audit Committee

Our Audit Committee was constituted by our Board on 8 April 2013, to assist our Board in fulfilling its oversight responsibilities. Our Audit Committee has full access to both internal and external auditors who in turn, have access at all times to the Chairman of our Audit Committee.

The Audit Committee currently comprises the following members:

Name	Designation	Directorship
Dato' Yusli Bin Mohamed Yusoff	Chairman	Independent Non-Executive Director
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	Member	Independent Non-Executive Director
Dato' Abdul Rahim Bin Abu Bakar	Member	Independent Non-Executive Director

Our Audit Committee performs, among others, the following functions:

(i) External audit

- reviewing, in consultation with our Company's auditors, the plan and scope of the annual audit, the internal accounting control system and the financial and audit reports;
- reviewing the findings of our Company's auditors and recommending the appropriate course of action to be taken by our management and monitoring the implementation of the courses of action; and

- evaluating the performance of our Company's auditors and recommending to our Board the re-appointment, payment of auditors fees, termination of services of our Company's auditor and enquiring into staffing and competence of external auditors in performing their work;

(ii) Internal audit

- reviewing and recommending the appointment of key personnel of our Group's internal audit department;
- reviewing any appraisal, determine or assess the performance of the internal audit function as well as the competencies and capabilities the members of the internal audit function;
- reviewing, evaluating and approving the scope of the internal audit programme;
- monitoring the implementation of the internal audit programme to ensure sufficient scope is covered during the audit;
- evaluating the competencies and capabilities of our Group's internal audit's personnel in performing their duties taking into account the qualification and experience of the auditor, level of independence with the auditee, and the ability to freely communicate between the head internal auditor and senior management;
- reviewing the internal audit findings including its investigations as well as the recommended course of action to be taken by our management; and
- endorsing the disciplinary action to be taken against any employee involved in any misconduct as reported by the internal audit;

(iii) Risk management

- reviewing the adequacy and effectiveness of the risk management process to identify key organisational risks and the systems or processes in place to monitor and manage these risks;

(iv) Coordination

- ensuring appropriate coordination between the audit plans of our Company's auditors and the scope of our Group's internal audit programme;

(v) Remediation Plan

- reviewing our management's remediation plans on the inadequacies highlighted in the internal and external audit reports;

(vi) Internal Control

- evaluating the effectiveness of internal controls and assist our management in setting up the appropriate procedures and internal controls;

(vii) Financial Reporting Review

- reviewing the annual financial report for our Board's approval, focusing particularly on any changes in accounting policies and practices, major judgmental areas, significant adjustments resulting from the audit, the going concern assumptions, compliance with accounting standards and regulatory requirements; and

- discussing the impact of any proposed changes in accounting principles on future financial statements;

(viii) Other Matters

- reviewing material related party transactions and conflict of interest situations that may arise within our Group including any transaction, procedure or cause of conduct that raises any question of management integrity and recurrent related party transactions;

- executing the request by our Board to conduct investigation into any issue pertaining to the management of our Company;

- reviewing our Company's code of ethics and monitor the compliance thereof;

- reviewing compliance with relevant laws and regulations, generally and reporting matters that are not satisfactorily resolved, that results in a breach of requirements;

- implementing other necessary duties as mutually agreed by the committee and our Board or any other authorities which is empowered by law or regulated by any government authority; and

- reviewing and updating the terms of reference of the committee from time to time.

9.1.6 Remuneration Committee

Our Remuneration Committee was constituted by our Board on 8 April 2013. The Remuneration Committee currently comprises the following members:

Name	Designation	Directorship
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	Chairman	Independent Non-Executive Director
Dato' Abdul Rahim Bin Abu Bakar	Member	Independent Non-Executive Director
Ruben Emir Gnanalingam Bin Abdullah	Member	Chief Executive Officer

Our Remuneration Committee undertakes the following functions:

(i) recommending to our Board, remuneration policies and principles together with guidelines and framework for our Chief Executive Officer and senior management of our Company;

(ii) considering the remuneration package of our Executive Directors which shall be competitive, performance-based and reflective of their contributions to our Group's long term growth and profitability, in line with our corporate objectives and strategy;

(iii) recommending suitable short and long-term incentive plans including the setting of appropriate performance targets as well as staff development; and

(iv) executing other related functions to achieve the objectives of the Remuneration Committee.

9.1.7 Nomination and Corporate Governance Committee

Our Nomination and Corporate Governance Committee was constituted by our Board on 13 March 2013. The Nomination and Corporate Governance Committee currently comprises the following members:

Name	Designation	Directorship
Dato' Abdul Rahim Bin Abu Bakar	Chairman	Independent Non-Executive Director
Dato' Yusli Bin Mohamed Yusoff	Member	Independent Non-Executive Director
Jeyakumar a/l T Palakrishnar	Member	Independent Non-Executive Director

Our Nomination and Corporate Governance Committee is responsible for, amongst others, the following:

(i) evaluating the composition, membership vacancy, identifying candidates and recommending to our Board in respect of any changes to our Board for effective contribution to our Group;

(ii) evaluating the balance of expertise, knowledge, experience, professionalism, integrity and criteria needed for the appointment of our Directors;

(iii) requesting our management to prepare "succession planning" for our Board especially for candidates to be appointed as Chief Executive Officer and senior management of our Company for our Board's review and informing our Board of issues in relation to strategy and commercial changes which would influence our Group's activities;

(iv) making an annual evaluation for re-appointment/extension of service for Chief Executive Officer/Non-Executive Director and Director after expiry of service period or upon reaching the limit of retirement age subject to performance and service effectiveness contributed and also to report it to our Board;

(v) recommending to our Board on any matter relating to extension of service for any Directors including cessation or termination of service of any Chief Executive Officer as our Company's staff in accordance with the relevant statutes, regulations and service contract (if any);

(vi) recommending the membership of our Audit Committee to our Board based on the view of Audit Committee chairman;

(vii) considering and recommending a policy regarding the period of service of our Group's Executive and Non-Executive Directors;

(viii) recommending to our Board the optimum size of our Board, and formulating a transparent procedure for proposing new nominees to our Board and committees of our Board;

(ix) reviewing our Directors' independence and conflict of interest, if any, and recommending the steps to be taken to manage potential conflicts of interests;

(x) assessing the effectiveness of our Board as a whole and each individual director and member of each committee of our Board;

(xi) ensuring that the investments of our minority shareholders are fairly reflected in our Board;

(xii) choosing, appointing and preparing terms for external consultant/advisor in giving advice regarding our Director's remuneration and to consider the eligible candidates from various background and merit to meet the criteria which has been determined by the Nomination and Corporate Governance Committee;

(xiii) executing other related functions to achieve the objective of the establishment of the Nomination and Corporate Governance Committee; and

(xiv) reviewing and making recommendations to our Board in respect of compliance with the MCCG 2012 and other best practices in corporate governance.

The recommendations of our Nomination and Corporate Governance Committee are subject to the approval of our Board.

9.1.8 Remuneration and material benefits-in-kind of our Directors and Chief Executive Officer

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors and Chief Executive Officer for services rendered in all capacities to our Group for the year ended 31 December 2012 and the year ending 31 December 2013 are as follows:

	Remuneration band	
Directors	**For the year ended 31 December 2012 (Actual)**	**For the year ending 31 December 2013 (Estimate)**
	(RM)	
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	100,000 – 150,000	2,550,000 – 2,600,000
Tan Sri Dato' Nik Ibrahim Kamil Bin Tan Sri Nik Ahmad Kamil	100,000 – 150,000	150,000 – 200,000
Ruben Emir Gnanalingam Bin Abdullah	700,000 – 750,000	1,150,000 – 1,200,000
John Edward Wenham Meredith	100,000 – 150,000[1]	50,000 – 100,000[1]
Ip Sing Chi	Not applicable	50,000 – 100,000[1]
Chan Chu Wei	100,000 – 150,000	150,000 – 200,000
Dato' Abdul Rahim Bin Abu Bakar	100,000 – 150,000	150,000 – 200,000

Directors	Remuneration band For the year ended 31 December 2012 (Actual)	 For the year ending 31 December 2013 (Estimate)
	(RM)	
Dato' Yusli Bin Mohamed Yusoff	Not applicable	50,000 – 100,000
Jeyakumar a/l T Palakrishnar	Not applicable	50,000 – 100,000
Tan Sri Ismail Bin Adam	Not applicable	1 – 50,000
Kim, Young So	Not applicable	1 – 50,000

Note:

(1) Remuneration paid/payable directly to SPIH. Neither John Edward Wenham Meredith nor Ip Sing Chi has received or intends to receive the said amounts from our Group.

The remuneration of our Directors which includes salaries, bonuses, fees and allowances as well as other benefits, must be approved by our Board, following recommendations made by our Remuneration Committee and subject to our Articles of Association. Any change in Directors' fees as set out in our Articles of Association must be approved by our shareholders pursuant to an ordinary resolution passed at a general meeting and where appropriate, notice of any proposed increase in Directors' fees should be given.

9.2 Promoters

9.2.1 Profiles of our Promoters

(i) PRSB

PRSB was incorporated in Malaysia under the Act on 10 August 1985 as a private limited company under its present name. The principal activities of PRSB are provision of management and consultancy services as well as investment holding. As at the LPD, the authorised share capital of PRSB is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, all of which have been issued and are fully paid-up.

As at the LPD, the directors of PRSB are Tan Sri Datuk Gnanalingam a/l Gunanath Lingam, Ruben Emir Gnanalingam Bin Abdullah, Ahmayuddin Bin Ahmad and Chan Chu Wei. The shareholders of PRSB and their shareholdings in PRSB as at the LPD are as follows:

Name	Direct No. of ordinary shares	 %	Indirect No. of ordinary shares	 %
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	3,000,000	60.00	-	-
Ruben Emir Gnanalingam Bin Abdullah	2,000,000	40.00	-	-

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

(ii) DISB

DISB was incorporated in Malaysia under the Act on 5 March 2002 as a private limited company under its present name. The principal activity of DISB is investment holding. As at the LPD, the authorised share capital and issued and paid-up share capital of DISB is set out below:

	No. of shares	(RM)
Authorised share capital		
Ordinary shares of RM1.00 each	148,000,000	148,000,000
Preference shares of RM340,000 each	300	102,000,000
TOTAL	**148,000,300**	**250,000,000**
Issued and paid-up share capital		
Ordinary shares of RM1.00 each	300,000	300,000
Preference shares of RM340,000 each	288	97,920,000
TOTAL	**300,288**	**98,220,000**

As at the LPD, the directors of DISB are Ruben Emir Gnanalingam Bin Abdullah and Shirieene Binti Hajamaideen and their shareholdings in the ordinary shares of DISB are as follows:

	Direct		Indirect	
Name	No. of ordinary shares	%	No. of ordinary shares	%
Ruben Emir Gnanalingam Bin Abdullah	120,000	40.00	-	-
Shirieene Binti Hajamaideen	180,000	60.00	-	-

As at the LPD, all the 288 preference shares in DISB are held by PRSB.

(iii) SASB

SASB was incorporated in Malaysia under the Act on 10 May 1993 as a private limited company under its present name. The principal activity of SASB is investment holding. As at the LPD, the authorised share capital of SASB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which two (2) ordinary shares have been issued and are fully paid-up.

As at the LPD, the directors of SASB are Ruben Emir Gnanalingam Bin Abdullah and Azran Bin Haji Abdul Rahman. The shareholders of SASB and their shareholdings in SASB as at the LPD are as follows:

	Direct		Indirect	
Name	**No. of ordinary shares**	**%**	**No. of ordinary shares**	**%**
Ruben Emir Gnanalingam Bin Abdullah	1	50.00	-	-
Puan Sri Ng Siew Yong	1	50.00	-	-

(iv) Tan Sri Datuk Gnanalingam a/l Gunanath Lingam

Please refer to Section 9.1.1 of this Prospectus for the profile of Tan Sri Datuk Gnanalingam a/l Gunanath Lingam.

(v) Ruben Emir Gnanalingam Bin Abdullah

Please refer to Section 9.1.1 of this Prospectus for the profile of Ruben Emir Gnanalingam Bin Abdullah.

9.3 Substantial shareholders

9.3.1 Profiles of our substantial shareholders

(i) PRSB

PRSB is one of our Promoters. Please refer to Section 9.2.1 of this Prospectus for the profile of PRSB.

(ii) DISB

DISB is one of our Promoters. Please refer to Section 9.2.1 of this Prospectus for the profile of DISB.

(iii) SASB

SASB is one of our Promoters. Please refer to Section 9.2.1 of this Prospectus for the profile of SASB.

(iv) SPIH

SPIH was incorporated in the Republic of Mauritius on 19 June 2000 as a private limited company under its present name. The principal activity of SPIH is investment holding. As at the LPD, the authorised share capital of SPIH is US Dollar 10,000 comprising 10,000 ordinary shares of US Dollar 1.00 each, of which two (2) ordinary shares have been issued and are fully paid-up.

As at the LPD, the directors of SPIH are Edith Shih, Christian Nicolas Roger Salbaing, Paul Chi Fai Fan, Victor Cheh Seeyave and Michael Kwet Voon Ng Thow Hing. The shareholders of SPIH and their shareholdings in SPIH as at the LPD are as follows:

	Direct		Indirect	
Name	**No. of ordinary shares**	**%**	**No. of ordinary shares**	**%**
Pacific Port Investment Holdings Limited (**"Pacific Port"**)	2	100.00	-	-
Wide Ocean Limited	-	-	2[(1)]	100.00
HPH	-	-	2[(2)]	100.00
HWL	-	-	2[(2)]	100.00

Note:

(1) Deemed interested by virtue of its subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(2) Deemed interested by virtue of its indirect subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(v) LVSB

LVSB was incorporated in Malaysia under the Act on 11 October 2012 as a private limited company under its present name. The principal activity of LVSB is investment holding. LVSB is wholly-owned by KNB.

As at the LPD, the authorised share capital of LVSB is RM1,000,000 comprising 100,000 ordinary shares of RM1.00 each and 90,000,000 redeemable cumulative convertible preference shares of RM0.01 each. Two (2) ordinary shares of RM1.00 each and 90,000,000 redeemable cumulative convertible preference shares of RM0.01 each have been issued and fully paid-up.

As at the LPD, the directors of LVSB are Elakumari Kantilal, Mohamed Nasri Sallehuddin and Hafizuddin Sulaiman and none of them have any direct or indirect interest in LVSB.

9.4 Shareholdings of our Promoters and substantial shareholders in our Company

The following table sets forth the direct and indirect shareholdings of our Promoters and substantial shareholders before and after our IPO based on the Register of Substantial Shareholders' Shareholdings as at the date of this Prospectus:

		Before our IPO				After our IPO[11]			
		Direct		Indirect		Direct		Indirect	
Name	**Nationality/ Country of Incorporation**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
PRSB	Malaysia	1,533,070,000[1]	44.96	-	-	1,476,650,000	43.30	-	-
DISB	Malaysia	256,465,000	7.52	-	-	-	-	-	-
SASB	Malaysia	256,465,000	7.52	-	-	119,350,000	3.50	-	-
SPIH	Republic of Mauritius	1,107,535,000	32.48	-	-	830,651,000	24.36	-	-
LVSB	Malaysia	256,465,000	7.52	-	-	170,159,000	4.99	-	-
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	Malaysian	-	-	1,533,070,000[2]	44.96	-	-	1,476,650,000[2]	43.30
Ruben Emir Gnanalingam Bin Abdullah	Malaysian	-	-	2,046,000,000[3]	60.00	-	-	1,596,000,000[4]	46.80
Puan Sri Ng Siew Yong	Malaysian	-	-	256,465,000[5]	7.52	-	-	119,350,000[5]	3.50
Shirieene Binti Hajamaideen	Malaysian	-	-	256,465,000[6]	7.52	-	-	-	-
Pacific Port	Republic of Mauritius	-	-	1,107,535,000[7]	32.48	-	-	830,651,000[7]	24.36
Wide Ocean Limited	British Virgin Islands	-	-	1,107,535,000[8]	32.48	-	-	830,651,000[8]	24.36
HPH	British Virgin Islands	-	-	1,107,535,000[9]	32.48	-	-	830,651,000[9]	24.36
HWL	Hong Kong	-	-	1,107,535,000[9]	32.48	-	-	830,651,000[9]	24.36
KNB	Malaysia	-	-	256,465,000[10]	7.52	-	-	170,159,000[10]	4.99

Notes:

(1) Includes the Scheme Shares to be held by the Trustee pursuant to the IPO Trust Scheme, the details of which are set out in Section 15.4 of this Prospectus.

(2) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB pursuant to Sections 69D and 6A(4) of the Act.

(3) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB, DISB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(4) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(5) Deemed interested by virtue of her being entitled to exercise not less than 15% of the votes attached to the voting shares in SASB pursuant to Sections 69D and 6A(4) of the Act.

(6) Deemed interested by virtue of her being entitled to exercise not less than 15% of the votes attached to the voting shares in DISB pursuant to Sections 69D and 6A(4) of the Act.

(7) Deemed interested by virtue of it being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(8) Deemed interested by virtue of its subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(9) Deemed interested by virtue of its indirect subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(10) Deemed interested by virtue of it being entitled to exercise not less than 15% of the votes attached to the voting shares in LVSB pursuant to Sections 69D and 6A(4) of the Act.

(11) Assuming the Over-Allotment Option is not exercised, where relevant.

Save as disclosed above, we are not aware of any person who is able to, directly or indirectly, jointly or severally, exercise control over us.

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9.4.1 Changes in the Promoters' and the substantial shareholders shareholdings in our Company for the past three (3) years preceding the date of this Prospectus

	As at 31 May 2010				As at 31 May 2011				As at 31 May 2012				As at the date of this Prospectus			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
PRSB	50,200,000	42.90	-	-	50,200,000	42.90	-	-	50,200,000	42.90	-	-	1,533,070,000	44.96	-	-
DISB	10,000,000	8.55	-	-	10,000,000	8.55	-	-	10,000,000	8.55	-	-	256,465,000	7.52	-	-
SASB	10,000,000	8.55	-	-	10,000,000	8.55	-	-	10,000,000	8.55	-	-	256,465,000	7.52	-	-
SPIH	36,800,000	31.45	-	-	36,800,000	31.45	-	-	36,800,000	31.45	-	-	1,107,535,000	32.48	-	-
LVSB	-	-	-	-	-	-	-	-	-	-	-	-	256,465,000	7.52	-	-
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	-	-	50,200,000(1)	42.90	-	-	50,200,000(1)	42.90	-	-	50,200,000(1)	42.90	-	-	1,533,070,000(1)	44.96
Ruben Emir Gnanalingam Bin Abdullah	-	-	10,000,000(2)	8.55	-	-	20,000,000(3)	17.10	-	-	20,000,000(3)	17.10	-	-	2,046,000,000(4)	60.00
Puan Sri Ng Siew Yong	-	-	10,000,000(5)	8.55	-	-	10,000,000(5)	8.55	-	-	10,000,000(5)	8.55	-	-	256,465,000(5)	7.52
Shirieene Binti Hajamaideen	-	-	-	-	-	-	10,000,000(6)	8.55	-	-	10,000,000(6)	8.55	-	-	256,465,000(6)	7.52
Pacific Port	-	-	36,800,000(7)	31.45	-	-	36,800,000(7)	31.45	-	-	36,800,000(7)	31.45	-	-	1,107,535,000(7)	32.48
Wide Ocean Limited	-	-	36,800,000(8)	31.45	-	-	36,800,000(8)	31.45	-	-	36,800,000(8)	31.45	-	-	1,107,535,000(8)	32.48
HPH	-	-	36,800,000(9)	31.45	-	-	36,800,000(9)	31.45	-	-	36,800,000(9)	31.45	-	-	1,107,535,000(9)	32.48
HWL	-	-	36,800,000(9)	31.45	-	-	36,800,000(9)	31.45	-	-	36,800,000(9)	31.45	-	-	1,107,535,000(9)	32.48

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

	As at 31 May 2010				As at 31 May 2011				As at 31 May 2012				As at the date of this Prospectus			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
KNB	10,000,000	8.55	-	-	10,000,000	8.55	-	-	10,000,000	8.55	-	-	-	-	256,465,000(10)	7.52

Notes:

(1) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB pursuant to Sections 69D and 6A(4) of the Act.

(2) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in SASB pursuant to Sections 69D and 6A(4) of the Act.

(3) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in DISB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(4) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB, DISB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(5) Deemed interested by virtue of her being entitled to exercise not less than 15% of the votes attached to the voting shares in SASB pursuant to Sections 69D and 6A(4) of the Act.

(6) Deemed interested by virtue of her being entitled to exercise not less than 15% of the votes attached to the voting shares in DISB pursuant to Sections 69D and 6A(4) of the Act.

(7) Deemed interested by virtue of it being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(8) Deemed interested by virtue of its subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(9) Deemed interested by virtue of its indirect subsidiary, Pacific Port, being entitled to exercise not less than 15% of the votes attached to the voting shares in SPIH pursuant to Sections 69D and 6A(4) of the Act.

(10) Deemed interested by virtue of it being entitled to exercise not less than 15% of the votes attached to the voting shares in LVSB pursuant to Sections 69D and 6A(4) of the Act.

9.5 Involvement of our substantial shareholders in other businesses or corporations which carry on a similar trade as that of our Group or which are our customers and/or suppliers

Save as disclosed below and based on the relief granted by the SC as set out in Section 10.1 of this Prospectus, none of our substantial shareholders has any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group; or (ii) our customers and/or suppliers:

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	 Indirect interest %
PRSB	*Similar trade as that of our Group:*			
	• Coal Terminal Project *(as defined herein)*[(1)]	-	-	-
HWL	*Similar trade as that of our Group:*			
	• Alexandria International Container Terminals Company S.A.E.	Shareholder	-	40.00
	• Amsterdam Port Holdings B.V.	Shareholder	-	56.00
	• Brisbane Container Terminals Pty Limited	Shareholder	-	80.00
	• Buenos Aires Container Terminal Services S.A.	Shareholder	-	80.00
	• ECT Delta Terminal B.V.	Shareholder	-	71.00
	• ECT Home Terminal B.V.	Shareholder	-	75.00
	• Ensenada Cruiseport Village, S.A. de C.V.	Shareholder	-	80.00
	• Ensenada International Terminal, S.A. de C.V.	Shareholder	-	80.00
	• Europe Container Terminals B.V.	Shareholder	-	75.00
	• Euromax Terminal Rotterdam B.V.	Shareholder	-	75.00
	• Freeport Container Port Limited	Shareholder	-	41.00
	• Gdynia Container Terminal S.A.	Shareholder	-	79.00
	• Harwich International Port Limited	Shareholder	-	80.00

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	As at the LPD Indirect interest %
HWL *(cont'd)*	• Hongkong United Dockyards Limited	Shareholder	-	50.00
	• HPH Finance Limited	Shareholder	-	80.00
	• Huizhou Port Industrial Corporation Limited	Shareholder	-	27.00
	• Huizhou Quanwan Port Development Co., Ltd	Shareholder	-	40.00
	• Huizhou International Container Terminals Limited	Shareholder	-	64.00
	• Hutchison Ajman International Terminals Limited - F.Z.E.	Shareholder	-	80.00
	• Hutchison Atlantic Limited	Shareholder	-	80.00
	• Hutchison Delta Ports Limited	Shareholder	-	80.00
	• Hutchison Port Holdings Limited	Shareholder	-	80.00
	• Hutchison Korea Terminals Limited	Shareholder	-	80.00
	• Hutchison Laemchabang Terminal Limited	Shareholder	-	64.00
	• Hutchison Port Holdings Trust	Shareholder	-	28.00
	• Hutchison Ports Finance Limited	Shareholder	-	80.00
	• Hutchison Port Investments Limited	Shareholder	-	80.00
	• Hutchison Ports Investments S.à r.l.	Shareholder	-	80.00
	• Hutchison Ports (Jersey) Port Development Limited	Shareholder	-	80.00
	• Hutchison Ports (Jersey) Property Management Limited	Shareholder	-	80.00
	• Hutchison Ports (UK) Finance Plc	Shareholder	-	80.00

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	Indirect interest %
HWL *(cont'd)*	• Hutchison Westport Investments Limited	Shareholder	-	80.00
	• Internacional de Contenedores Asociados de Veracruz, S.A. de C.V.	Shareholder	-	80.00
	• International Ports Services Co. Ltd.	Shareholder	-	41.00
	• Jiangmen International Container Terminals Limited	Shareholder	-	40.00
	• Karachi International Container Terminal Limited	Shareholder	-	80.00
	• Korea International Terminals Limited	Shareholder	-	71.00
	• L.C. Terminal Portuaria de Contenedores S.A. de C.V.	Shareholder	-	80.00
	• Maritime Transport Services Limited	Shareholder	-	64.00
	• Nanhai International Container Terminals Limited	Shareholder	-	40.00
	• Ningbo Beilun International Container Terminals Limited	Shareholder	-	39.00
	• Oman International Container Terminal L.L.C.	Shareholder	-	52.00
	• Panama Ports Company, S.A.	Shareholder	-	72.00
	• Port of Felixstowe Limited	Shareholder	-	80.00
	• PT Hutchison Ports Indonesia	Shareholder	-	80.00
	• PT Jakarta International Container Terminal	Shareholder	-	41.00
	• River Trade Terminal Co. Limited	Shareholder	-	40.00
	• Saigon International Terminals Vietnam Limited	Shareholder	-	56.00

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	As at the LPD Indirect interest %
HWL *(cont'd)*	• Shanghai Mingdong Container Terminals Limited	Shareholder	-	40.00
	• Shantou International Container Terminals Limited	Shareholder	-	56.00
	• South Asia Pakistan Terminals Limited	Shareholder	-	72.00
	• Sydney International Container Terminals Pty Limited	Shareholder	-	80.00
	• Talleres Navales del Golfo, S.A. de C.V.	Shareholder	-	80.00
	• Taranto Container Terminal S.p.A.	Shareholder	-	40.00
	• Tanzania International Container Terminal Services Limited	Shareholder	-	56.00
	• Terminal Catalunya, S.A.	Shareholder	-	80.00
	• Thai Laemchabang Terminal Co., Ltd.	Shareholder	-	70.00
	• Thamesport (London) Limited	Shareholder	-	64.00
	• Xiamen Haicang International Container Terminals Limited	Shareholder	-	39.00
	• Xiamen International Container Terminals Limited	Shareholder	-	39.00
	• Zhuhai International Container Terminals (Gaolan) Limited	Shareholder	-	40.00
	• Zhuhai International Container Terminals (Jiuzhou) Limited	Shareholder	-	40.00
HPH	*Similar trade as that of our Group:*			
	• Alexandria International Container Terminals Company S.A.E.	Shareholder	-	50.00

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	As at the LPD Indirect interest %
HPH *(cont'd)*	• Amsterdam Port Holdings B.V.	Shareholder	-	70.08
	• Brisbane Container Terminals Pty Limited	Shareholder	-	100.00
	• Buenos Aires Container Terminal Services S.A.	Shareholder	-	100.00
	• DeCeTe Duisburger Container-Terminalgesellschaft mbH	Shareholder	-	48.21
	• ECT Delta Terminal B.V.	Shareholder	-	89.37
	• ECT Home Terminal B.V.	Shareholder	-	93.50
	• Freeport Container Port Limited	Shareholder	-	51.00
	• Gdynia Container Terminal S.A.	Shareholder	-	99.15
	• Harwich International Port Limited	Shareholder	-	100.00
	• Huizhou International Container Terminals Limited	Shareholder	-	80.00
	• Huizhou Port Industrial Corporation Limited	Shareholder	-	33.59
	• Hutchison Ajman International Terminals Limited - F.Z.E.	Shareholder	-	100.00
	• Hutchison Korea Terminals Limited	Shareholder	-	100.00
	• Hutchison Laemchabang Terminal Limited	Shareholder	-	80.00
	• Hutchison Ports Sweden AB	Shareholder	-	100.00
	• Internacional de Contenedores Asociados de Veracruz, S.A. de C.V.	Shareholder	-	100.00
	• International Ports Services Co. Ltd.	Shareholder	-	51.00
	• Jiangmen International Container Terminals Limited	Shareholder	-	50.00[(2)]

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	As at the LPD Indirect interest %
HPH *(cont'd)*	• Karachi International Container Terminal Limited	Shareholder	-	100.00
	• Kerjasama Operasi Terminal Petikemas Koja	Shareholder	-	45.09
	• Korea International Terminals Limited	Shareholder	-	88.90
	• L.C. Terminal Portuaria de Contenedores S.A. de C.V.	Shareholder	-	100.00
	• Moerdijk Container Terminals B.V.	Shareholder	-	46.75
	• Myanmar International Terminals Thilawa Limited	Shareholder	-	100.00
	• Nanhai International Container Terminals Limited	Shareholder	-	50.00[(2)]
	• Ningbo Beilun International Container Terminals Limited	Shareholder	-	49.00
	• Oman International Container Terminal L.L.C	Shareholder	-	65.00
	• Panama Ports Company, S.A.	Shareholder	-	90.00
	• Port of Felixstowe Limited	Shareholder	-	100.00
	• P.T. Jakarta International Container Terminal	Shareholder	-	51.00
	• River Trade Terminal Co. Ltd.	Shareholder	-	50.00
	• Saigon International Terminals Vietnam Limited	Shareholder	-	70.00
	• Shanghai Container Terminals Limited	Shareholder	-	40.00
	• Shanghai Mingdong Container Terminals Limited	Shareholder	-	50.00
	• Shanghai Pudong International Container Terminals Limited	Shareholder	-	30.00

Substantial shareholder	Businesses/Corporations/ Ventures	Nature of interest	As at the LPD Direct interest %	As at the LPD Indirect interest %
HPH *(cont'd)*	• Shantou International Container Terminals Limited	Shareholder	-	70.00
	• South Asia Pakistan Terminals Limited	Shareholder	-	90.00
	• Sydney International Container Terminals Pty Ltd	Shareholder	-	100.00
	• Tanzania International Container Terminal Services Limited	Shareholder	51.00	19.00
	• Taranto Container Terminal S.p.A.	Shareholder	-	50.00
	• TCT Belgium N.V.	Shareholder	-	93.50
	• TCT Venlo B.V.	Shareholder	-	93.50
	• Terminal Catalunya, S.A.	Shareholder	-	100.00
	• Terminal Intemacional de Manzanillo, S.A. de C.V.	Shareholder	-	100.00
	• Thai Laemchabang Terminal Co., Ltd.	Shareholder	-	87.50
	• Thamesport (London) Limited	Shareholder	-	80.00
	• Xiamen Haicang International Container Terminals Limited	Shareholder	-	49.00
	• Xiamen International Container Terminals Limited	Shareholder	-	49.00
	• Zhuhai International Container Terminals (Gaolan) Limited	Shareholder	-	50.00
	• Zhuhai International Container Terminals (Gaolan Phase 2) Limited	Shareholder	-	50.00
	• Zhuhai International Container Terminals (Jiuzhou) Limited	Shareholder	-	50.00[(2)]

Notes:

*(1) PRSB formed a consortium with SEW Infrastructure Limited ("**SEW Infrastructure**") (to be referred to as "**Consortium**") for purposes of the construction and development of East Quay ("**EQ**") within the inner harbour of Visakhapatnam Port in India on a 'design – build – finance – operate – transfer' basis ("**Coal Terminal Project**"). The Consortium had been awarded a 30-year concession from 2011.*

The Coal Terminal Project entails the construction of a coal berth with an annual handling capacity of 7.36 million tonnes of thermal coal and steam coal. The terminal is expected to cater to the needs of various coal users, particularly thermal coal for the power sector and thermal coal importers in India. As at the LPD, the construction of the coal terminal has not commenced.

(2) As at the LPD, the economic interest in these three (3) river ports (Jiangmen Terminal, Nanhai Terminal and Zhuhai Jiuzhou Terminal) was assigned to Hutchison Port Holdings Trust, and HPH retains the legal interest in these operations.

Our Board is of the view that the involvement/interests of our substantial shareholders in other businesses and corporations outside of Malaysia which carry out similar trade as that of our Group do not compete directly with our business in Malaysia due to, amongst others, the following reasons:

(i) our business strategies differ from PRSB's business strategy. As at the LPD and as stated in Section 7.3 of this Prospectus, our immediate strategy is to increase Westports' throughput capacity involving the construction of three (3) new container terminals, namely CT7, CT8 and CT9. We do not have immediate plans to venture into greenfield projects or venture outside Malaysia. Whereas, PRSB only focuses on high-risk greenfield investments/opportunities/projects outside Malaysia, other than its investment in our Company;

(ii) the Coal Terminal Project will not compete with Westports due to the inherent difference in operations as Westports is primarily involved in container port operations;

(iii) save for Westports, PRSB and the Hutchison Group are not involved in any other port operation business in Malaysia;

(iv) the main ports competing with Westports for transhipment traffic in the Straits of Malacca are the Port of Singapore and the Port of Tanjung Pelepas in Johor. The Port of Singapore and the Port of Tanjung Pelepas share the same hinterland which comprises Singapore and the southern states in Peninsular Malaysia. As Westports' hinterland covers mainly Kuala Lumpur and the central part of Malaysia, it does not compete for Import/Export traffic with the Port of Singapore or the Port of Tanjung Pelepas. Westports competes with Northport for Import/Export traffic as they share the same hinterland. The Hutchison Group does not have any interest, direct or indirect, in these competitors; and

(v) the ports operated by the Hutchison Group do not compete with Westports for transhipment traffic as they are not located on the Straits of Malacca. Further, Koja Terminal and Jakarta International Container Terminal located at the Port of Tanjung Priok, West Java, Indonesia, which the Hutchison Group has an interest through Kerjasama Operasi Terminal Petikemas Koja and PT Jakarta International Container Terminal, respectively, do not directly compete with Westports as these ports handle mainly Import/Export cargo.

Notwithstanding, the interests held by our substantial shareholders in other businesses and corporations which are customers and/or suppliers of our Group and/or carrying on a similar trade as our Group may give rise to a conflict of interest situation with our Group's business. Accordingly, such substantial shareholders and persons connected to them are obliged to, if required by any law or regulation, abstain from deliberations and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. If, such matters or transactions require the approval of the relevant board of directors of the companies in our Group including our Company, the directors on the relevant board of directors who are conflicted in such matters or transactions by virtue of their relationship with our substantial shareholders or other relationship are obliged to, if required by any law or regulation, declare their interests to our Board, and similarly, abstain from deliberations and voting on the resolutions relating to these matters/transactions.

9.6 Key management

Our key management is set out below:

Name	Age	Designation/Function
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	69	Non-Independent Executive Chairman
Ruben Emir Gnanalingam Bin Abdullah	37	Chief Executive Officer
Ahmayuddin Bin Ahmad	57	Head of Corporate Affairs
Ahmad Damanhury Bin Ibrahim	46	Head of Port Projects
Muhammad Abdullah Hatta Bin Bulat	44	Chief Financial Officer
Nanthakumar a/l Murokana @ Murugan	41	Head of Operation Resources
Tan Wei Chun	38	Head of Port Planning
Mani Segaran a/l S Vadivel	52	Head of Conventional Cargo Operations
Lee Mun Tat	42	Head of Commercial
Vijaya Kumar a/l S Puspowanam	37	Head of Marketing
Lee Hooi Huang	45	Head of IT
Veeranaidu a/l Ramandu	41	Head of Finance
See Yoke Eng	35	Head of Human Resources
Ramesh a/l S Sandrasinghi	44	Head of Technical Services

9.6.1 Profiles of our key management

The profiles of Tan Sri Datuk Gnanalingam a/l Gunanath Lingam, our Non-Independent Executive Chairman, and Ruben Emir Gnanalingam Bin Abdullah, our Chief Executive Officer, are set out in Section 9.1.1 of this Prospectus. The profiles of our other key management are as follows:

Ahmayuddin Bin Ahmad is our Head of Corporate Affairs. He obtained a Bachelor of Science (Agri Business) degree from University of Tennessee, Knoxville, US in 1979 and a Masters in Business Administration from West Virginia University, US in May 1982.

He started his career with Malaysian Tobacco Company Berhad where he was employed from 1982 to 1985 as a sales, training and development manager. He subsequently worked with G-Team Consultants from 1986 to 1994 as a senior manager in the marketing and commercial department. He joined WMSB in July 1994 as a director and assumed his present position in January 2005. He is currently responsible for all our corporate social responsibilities and also for liaising with officials of the GOM.

He has 30 years of experience in marketing and organisation.

Ahmad Damanhury Bin Ibrahim is our Head of Port Projects. He obtained a Bachelor of Science in Civil Engineering degree from Syracuse University, New York, US in 1990 and a Master of Science (Facilities Management) from Universiti Teknologi MARA in 2006. He obtained a diploma in Port Management in 2001 awarded by the University of Cambridge Local Examinations Syndicate. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 1998. He has been a member of the Institution of Engineers and the Board of Engineers Malaysia since 15 July 1991 and 15 December 1990, respectively.

He worked with Kinta Kellas PLC from 1990 to 1992 as an assistant project engineer involved in the Projek Lebuhraya Utara Selatan (PLUS) and Metramac Highway projects. He was attached to the British Aerospace Consultancy (M) Sdn Bhd from 1992 to 1995 as a project engineer involved in the Subang Airport Interim Development and Kuala Lumpur International Airport projects.

He joined WMSB in July 1995 as a civil engineer and assumed his present position in July 2007. He is currently responsible for the planning and project management for the construction of all port expansion projects and other technical feasibility studies.

He has more than 20 years of experience in civil and marine engineering works.

Muhammad Abdullah Hatta Bin Bulat is our Chief Financial Officer. He obtained a Bachelor of Accounting degree from University of Malaya in 1993. He is a Public Accountant registered with the Malaysian Institute of Accountants since 9 August 1996. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2008.

He started his career as an audit assistant in Anuarul Azizan Chew & Co. in 1993 and later joined Ernst & Young Malaysia in 1994. He subsequently joined Golden Pharos Berhad in 1997 as the Group Accountant before joining the Group Corporate Finance Department of DRB-HICOM Berhad ("**DRB-HICOM**") in 2000. When he was at DRB-HICOM, he was involved in the group's restructuring and fund raising exercises.

He joined WMSB in June 2007 as Head of Corporate Finance and assumed his present position in October 2010. He is currently responsible for overseeing our Company's finance related matters and corporate exercises.

He has 19 years of experience in the field of accounting and finance.

Nanthakumar a/l Murokana @ Murugan is our Head of our Operation Resources. He obtained a Bachelor of Business Administration degree from Western Michigan University, US in 1998. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2006.

Prior to joining our Group, he worked for Wal Mart in Detroit, US as an assistant manager in 1998 before returning to Malaysia in 1999. He joined our Group in May 1999 as a management trainee focusing on yard planning. Thereafter, he was transferred to the container operations department in 2003 to manage the operations team. In 2006, he headed the container department overseeing the planning, operations and resource functions.

He is currently responsible for resources availability for container operations. He also oversees the costs incurred for resources deployment and succession planning for key positions, focusing on competencies development through constant coaching and training.

He has ten (10) years of experience in container operations.

Tan Wei Chun is our Head of Port Planning. He obtained an advanced diploma in transportation and logistics from The Chartered Institute of Transport in 1997. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2004. He has been a member of The Chartered Institute of Transport since 25 September 1997.

Prior to joining our Group, he worked with Kontena Nasional Berhad from 1993 to 1998 in various positions involving haulage, customer services, CFS and depot management.

He joined our Group in September 1998 as an operations executive and has since been attached to various departments including operations, customer services, gate and logistic operations, berth planning, vessel planning and yard planning prior to assuming his present position in January 2011. He is currently responsible for overall yard and vessel planning.

He has 14 years of experience, mostly in areas of capacity planning, strategic yard planning, vessel stowage planning, cargo terminal operations, control room operations, project management and operations IT development.

Mani Segaran a/l S Vadivel is our Head of Conventional Cargo Operations. He obtained a diploma in International Intelligence Officers Basic Course and a diploma in Psychological Operations Officer in 1997 from the United States Army Intelligence School and United States Army John F. Kennedy Special Warfare Center and School, respectively. He obtained his Masters of Business Administration from Victoria University of Technology, Australia in 2000. He attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2002. He has been an associate member of the Chartered Institute of Personnel & Development, UK since 26 March 2002.

Prior to joining our Group, he worked with the Ministry of Defence, Malaysian Armed Forces, from 1980 to 2000 where he last held the rank of Major, and with Solsis (M) Sdn Bhd from 2000 to 2001 as a customer service manager. He joined WMSB in February 2001 as an operations manager and assumed his present position in December 2012.

He has 12 years of experience in various fields of port operations such as container operations, conventional operations and security and safety.

Lee Mun Tat is our Head of Commercial. He obtained a Bachelor of Business with a major in Accounting degree from Edith Cowan University, Australia in 1994 and has been a member of the CPA Australia since 19 November 1998 and the Malaysian Institute of Accountants since 24 July 1999. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2004.

He was attached to Matsushita Electronics Components (M) Sdn Bhd from 1995 to 1996 as an accounts executive, followed by Jutajaya Berhad (now known as Jutajaya Holding Berhad) where he joined as a senior accounts executive in 1997 and left as a finance manager in 2001 and subsequently joined All Best Furniture (M) Sdn Bhd from 2001 to 2003 as the group's finance manager. He joined our Group in May 2003 as finance manager and assumed his present position in July 2007. He is currently responsible for all commercial matters including business negotiation, terminal service contracts, statistics and credit control.

He has more than six (6) years of experience in commercial affairs.

Vijaya Kumar a/l S Puspowanam is our Head of Marketing. He obtained a Bachelor of Business Administration (International Business) degree from Universiti Kebangsaan Malaysia in 1999. He attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2004.

He joined our Group in January 2000 as a gate operations executive and has since served under various departments such as gate operations, vessel operations and terminal planning prior to assuming his present position in January 2008. He is currently responsible for marketing activities for both the container and conventional business, focusing on regional efforts to grow the feeder services and volume.

He has been representing Westports in the Port Consultative Committee ("**PCC**") since 2007. The PCC is chaired by PKA and comprises stakeholders from different industries to discuss key issues pertaining to ports. He is also part of the Depot Gate Charge committee formed under Ministry of Transport in 2012 to handle issues regarding haulage drivers in Port Klang.

He has 12 years of experience in container operations.

Lee Hooi Huang is our Head of IT. She obtained a Bachelor of Applied Science in Computer Studies degree from the South Australian Institute of Technology, Australia in 1988.

Prior to joining our Group, she was attached with G-Team Consultants from 1989 to 1996 as a systems analyst. She joined our Group in January 1997 as system manager and assumed her present position in July 2005 and her areas of responsibility include overseeing the enterprise wide project implementation of Cosmos Container Terminal Operating System, SAP Enterprise Resource Planning (ERP) and e-Terminal Plus as well as IT infrastructure outsourcing initiatives at Westports. She is currently responsible for overseeing IT projects and IT application development of our Group.

She has more than 23 years of experience in IT application development and IT project implementation.

Veeranaidu a/l Ramandu is our Head of Finance. He obtained a Bachelor of Accountancy degree from Universiti Pertanian Malaysia in 1995 and has been a member of the Malaysian Institute of Accountants since 22 October 1999.

He started his career with the Hong Leong Group where he was employed from 1995 to 2002 as an accounts executive. Subsequently, he worked with Lingkaran Trans Kota Holdings Berhad from May 2002 to March 2005 as a senior accountant. He then re-joined the Hong Leong Group as a finance manager from 2005 to 2011 before joining our Group in June 2011 as a senior finance manager and assumed his present position in December 2011. Throughout his career, he has been exposed to general management, treasury functions, costing, tax planning, project evaluations, strategic management and human resource functions.

He has more than 15 years of experience in the field of finance.

See Yoke Eng is our Head of Human Resources. She obtained a Bachelor of Human Resource Management degree from Universiti Utara Malaysia in 2001. She also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2008.

She joined our Group in April 2001 as an executive trainee upon graduation in March 2001. She is responsible for ensuring the effectiveness of the human resources function and is also directly responsible for the development of executives and managers in our Group. Due to her contributions, WMSB won two (2) Best Employer Awards from the Ministry of Human Resources Malaysia and the Human Development Fund under Ministry of Human Resources Malaysia in 2004 and 2007, respectively as well as a Gold Award from the Star Outstanding Business Awards (SOBA) in 2011.

She has 12 years of experience in various aspects of human resources.

Ramesh a/l S Sandrasinghi is our Head of Technical Services. He graduated with a Bachelor of Mechanical Engineering degree from Universiti Teknologi Malaysia in 1992 and subsequently obtained his Masters of Business Administration in General Management from the University of Strathclyde, UK, in 1999. He also attended the Senior Management Development Programme organised by the Harvard Business School Alumni Club of Malaysia in collaboration with senior faculty members of the Harvard Business School, Boston, US in 2006.

He was previously attached to Venture Manufacturing Ltd. from February 1993 to August 1994, Interstate Packages Sdn Bhd from September 1994 to July 2000 and Affin Bank Berhad from July 2000 to December 2004. He joined WMSB in December 2004 as a project manager, and assumed his present position in August 2007.

He has eight (8) years of experience in managing the mechanical and electrical infrastructure and utilities of Westports.

9.6.2 Shareholding of our key management

The following table sets forth the direct and indirect shareholdings of our key management before and after our IPO:

	Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	-	-	1,533,070,000(1)	44.96	-	-	1,476,650,000(1)(2)	43.30
Ruben Emir Gnanalingam Bin Abdullah	-	-	2,046,000,000(3)	60.00	-	-	1,596,000,000(2)(4)	46.80
Ahmayuddin Bin Ahmad	-	-	-	-	1,045,000	0.03	-	-
Ahmad Damanhury Bin Ibrahim	-	-	-	-	45,000	(5)	-	-
Muhammad Abdullah Hatta Bin Bulat	-	-	-	-	25,000	(5)	-	-
Nanthakumar a/l Murokana @ Murugan	-	-	-	-	45,000	(5)	-	-
Tan Wei Chun	-	-	-	-	45,000	(5)	-	-
Mani Segaran a/l S Vadivel	-	-	-	-	45,000	(5)	-	-
Lee Mun Tat	-	-	-	-	35,000	(5)	-	-
Vijaya Kumar a/l S Puspowanam	-	-	-	-	45,000	(5)	-	-
Lee Hooi Huang	-	-	-	-	45,000	(5)	-	-
Veeranaidu a/l Ramandu	-	-	-	-	10,000	(5)	-	-
See Yoke Eng	-	-	-	-	45,000	(5)	-	-
Ramesh a/l S Sandrasinghi	-	-	-	-	35,000	(5)	-	-

Notes:

(1) *Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB pursuant to Sections 69D and 6A(4) of the Act.*

(2) *Assuming the Over-Allotment Option is not exercised.*

(3) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB, DISB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(4) Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB and SASB pursuant to Sections 69D and 6A(4) of the Act.

(5) Negligible.

9.7 Involvement of Executive Directors and key management in other principal business activities

Save as disclosed below and in Sections 9.1.3 and 9.1.4 of this Prospectus, none of our Executive Directors or our key management is involved in other principal business activities outside of our Group as at the LPD:

Name	Businesses/Corporations	Nature of interest	Direct interest	Indirect interest
			%	%
Ahmayuddin Bin Ahmad	• PRSB	• Non-executive director	-	-

The involvement of Ahmayuddin Bin Ahmad in other principal business activities outside our Group will not affect his contribution to our Group as he is not actively involved in the management and day-to-day operations of those businesses and/or corporations.

9.8 Relationships and associations between our Directors, Promoters, substantial shareholders and key management

Save as disclosed below, there is no family relationship and/or association between our Directors, Promoters, substantial shareholders and key management as at the LPD:

(i) Tan Sri Datuk Gnanalingam a/l Gunanath Lingam is a non-executive director and shareholder of PRSB which in turn is our Promoter and substantial shareholder. He is also the father of Ruben Emir Gnanalingam Bin Abdullah, our Chief Executive Officer; the husband of Puan Sri Ng Siew Yong, a shareholder of SASB which in turn is our Promoter and substantial shareholder; and the father-in-law of Shirieene Binti Hajamaideen, a director and shareholder of DISB which in turn is our Promoter and substantial shareholder.

(ii) Ruben Emir Gnanalingam Bin Abdullah is a non-executive director and shareholder of PRSB, DISB and SASB (all of which are our Promoters and substantial shareholders). He is also the son of Tan Sri Datuk Gnanalingam a/l Gunanath Lingam and Puan Sri Ng Siew Yong and the husband of Shirieene Binti Hajamaideen.

(iii) Ahmayuddin Bin Ahmad and Chan Chu Wei are non-executive directors of PRSB which in turn is our Promoter and substantial shareholder.

(iv) John Edward Wenham Meredith and Ip Sing Chi are directors of HPH which in turn is our indirect substantial shareholder. John Edward Wenham Meredith has shareholding interest in HWL.

(v) Jeyakumar a/l T Palakrishnar is a partner of the legal firm, Messrs Zahir Jeya & Zainal which has been retained by PRSB and Tan Sri Datuk Gnanalingam a/l Gunanath Lingam as legal counsel.

9.9 Declaration by our Directors, Promoters and key management

Between April 1995 and October 1996, Dato' Yusli Bin Mohamed Yusoff was the group managing director of Shapadu Corporation Sdn Bhd ("**Shapadu**"). During his employment with Shapadu, he was also appointed as a director of its wholly-owned subsidiary, Tiretech Sdn Bhd ("**Tiretech**") on 17 April 1995. At no time was he a shareholder of Shapadu or any other subsidiaries of Shapadu.

On 29 November 1995, a winding up petition was presented at the Shah Alam High Court for the winding up of Tiretech. On 29 February 1996, the said High Court ordered the winding up of Tiretech and subsequently the official receiver was appointed as the provisional liquidator of Tiretech. As at the LPD, Tiretech has been wound up.

Save as disclosed above, none of our Directors, Promoters, and key management is or has been involved in any of the following events (whether in or outside Malaysia):

(i) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which such person is or was a partner or any corporation of which such person was a director or key personnel;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(iv) any judgment entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or

(v) the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity.

9.10 Termination of the MSA

Pursuant to the MSA, PRSB had provided certain services to WMSB which include the following:

(i) advising and assisting on financial matters;

(ii) advising on operational matters including project management, business leadership, guidance and direction on port operations;

(iii) advising on business matters such as negotiations with government authorities on port tariffs and concession agreement; and

(iv) assisting and advising on business opportunities and relationships.

The key personnel representing PRSB who had extended services to WMSB during the tenure of the MSA is Tan Sri Datuk Gnanalingam a/l Gunanath Lingam who is also our Non-Independent Executive Chairman. Although PRSB has ceased to provide such services following the MSA Termination, our Executive Chairman, Tan Sri Datuk Gnanalingam a/l Gunanath Lingam continues to provide leadership and direction to our Group and will also continue to develop and implement the strategies for the growth and expansion of our Group in line with our Group's strategic vision. Further, the other members of our key management team comprise personnel who have considerable experience in the port business accumulated over the years and have the relevant experience and expertise to manage our Group's business and operations effectively. For further information on the capability of our key management, refer to their profiles as set out in Sections 9.1.1 and 9.6.1 of this Prospectus.

During the tenure of the MSA, Tan Sri Datuk Gnanalingam a/l Gunanath Lingam did not draw any salary for the executive functions that he had performed as an executive director of our Company. With the MSA Termination, we have ceased to pay management fees to PRSB. In addition, for the services to be rendered by Tan Sri Datuk Gnanalingam a/l Gunanath Lingam in his capacity as our Non-Independent Executive Chairman, we expect to incur approximately RM7,200,000 to RM7,250,000 annually, being his expected remuneration and material benefits in-kind (excluding directors' fees). Other than the foregoing, there are no other additional costs to be incurred by our Company pursuant to the MSA Termination.

9.11 Service agreements

As at the LPD, there is no existing or proposed service agreement entered into or to be entered into between our Directors or key management and our Group that provides benefits on termination of employment.

Our Non-Independent Executive Chairman namely Tan Sri Datuk Gnanalingam a/l Gunanath Lingam is currently employed by our Group. His term of employment is subject to mutual early termination provisions by the giving of one (1) month's prior written notice. His annual remuneration and material benefits-in-kind in the course of his employment (excluding directors' fees) is set out in Section 9.10 above.

Our Chief Executive Officer namely Ruben Emir Gnanalingam Bin Abdullah is currently employed by our Group up till the retirement age of 55. His term of employment is subject to mutual early termination provisions by the giving of one (1) month's prior written notice. His annual remuneration and material benefits-in-kind (including directors' fees) in the course of his employment is between RM2,000,000 to RM2,050,000.

9.12 Other matters

Save as disclosed in Section 9.1.8 of this Prospectus, no other amounts or benefits have been paid or intended to be paid to our Promoters, Directors and substantial shareholders within the two (2) years preceding the date of this Prospectus, except for the following:

(i) remuneration received by our Directors in the course of their employment and directors' fees;

(ii) dividend paid to our shareholders; and

(iii) management fee paid by WMSB pursuant to the MSA, details of which is set out in Section 11.1.1 of this Prospectus.

10. APPROVALS AND CONDITIONS

10.1 Approvals and conditions

The SC has, via its letter dated 20 August 2013, approved our IPO and the Listing under Section 214(1) of the CMSA and the equity requirement for public companies, subject to compliance with the following conditions:

	Details of condition imposed	Status of compliance
(i)	WHB to appoint two (2) additional independent directors prior to the registration of the listing prospectus;	Complied
(ii)	WHB to allocate at least 12.5% of its total issued and paid-up share capital to Bumiputera investors at the point of Listing. This includes the shares offered under the balloted public offer portion, of which 50% are to be offered to Bumiputera investors; and	Complied
(iii)	Maybank IB and WHB to fully comply with the relevant requirements under the Equity Guidelines and Prospectus Guidelines pertaining to the implementation of the proposal.	Noted

The SC has also via its letter dated 20 August 2013, noted that the equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in our Company would change arising from the Listing as follows:

Category of shareholder	Before our Listing(1)	After our Listing(2)
	(%)	(%)
Bumiputera		
• To be nominated and approved by the MITI	-	11.50
• Malaysian public via balloting	-	1.00
	-	**12.50**
Non-Bumiputera	68.55	51.23
Foreign	31.45	23.55
Others(3)	-	12.72
TOTAL	**100.0**	**100.0**

Notes:

(1) Before the Pre-Listing Exercise.

(2) Assuming the Over-Allotment Option is exercised.

(3) Comprising Malaysian and foreign investors, which can only be determined after the Bumiputera reallocation process.

The SAC of the SC has, via its letter dated 26 July 2013, classified our Shares as Shariah-compliant.

10. APPROVALS AND CONDITIONS *(cont'd)*

The SC has, via its letters dated 17 January 2013 and 26 July 2013 approved the following reliefs sought by us from having to comply with the following requirements under the Prospectus Guidelines. The details of the reliefs sought and corresponding conditions imposed by the SC are as follows:

Reference	Details of relief sought	Condition imposed (if any)	Status of compliance (if any)
Paragraphs 9.01(c) and (d) and 9.10	Relief to allow information relating to HWL, to be limited to information which is available and can be found in the public domain.	Approved, as proposed.	The relevant disclosure is made in Section 9 of this Prospectus.
Paragraphs 11.03(a) and (b)	Relief in respect of HWL's and KNB's interests in relation to the following: (a) to limit the assessment and disclosure of the details of HWL's and KNB's interests in other businesses and corporations carrying on a similar trade as our Group based on those principal subsidiaries, associates and jointly-controlled entities disclosed in the respective latest available annual report of HWL and KNB (**"Investee Companies List"**); and (b) to limit the assessment and disclosure of the details of HWL's and KNB's interest in other businesses and corporations which are either our customers or suppliers who have transactions with a value of at least RM18.0 million with our Group for the financial year ended 31 December 2012 (**"Selected Customers and Suppliers"**). Besides that, to also limit the assessment and disclosure of HWL's and KNB's interest in the Selected Customers and Suppliers to the Investee Companies List.	Approved, as proposed.	The relevant disclosure is made in Section 9 of this Prospectus.
Paragraph 13.10	Relief from the inclusion of standalone audit reports of the applicable audited financial statements in this Prospectus.	Approved, subject to the auditors' opinion on the audited financial statements for the financial years/period under review being disclosed in the Accountants' Report.	Complied. The relevant disclosure is included in Section 5 of the Accountants' Report.

10. APPROVALS AND CONDITIONS *(cont'd)*

Reference	Details of relief sought	Condition imposed (if any)	Status of compliance (if any)
Paragraph 16.07	Relief sought from disclosing certain salient terms of the Facilitation Fund Agreement in the Prospectus.	Approved, as proposed.	Not applicable.
Paragraph 18.01(b)	Relief from having to make the Privatisation Agreement, Facilitation Fund Agreement and the Lease Agreement available for public inspection.	Approved, subject to:	
		(i) A certified true copy of each of the agreements is deposited at WHB's registered office for public inspection; and	Complied. A certified true copy of each of the agreements has been deposited at our registered office for public inspection.
		(ii) Disclosure in the Prospectus that the agreements fall within the definition of "official secret" under the Official Secrets Act 1972 (Act 88), and any person who wishes to inspect the agreements will have to, on his own, obtain prior written consent from UKAS, the PKA and Bank Pembangunan.	Complied. The relevant disclosure is made in Section 15.9 of this Prospectus.
Paragraphs 19.01 d(iv), d(vii), d(ix), (l), (m) and n(iii)	Relief from the requirement to disclose specific information relating to an infrastructure project company.	None.	Not applicable.

Bursa Securities has, via its letter dated 2 September 2013, approved the admission of our Company to the Official List of the Main Market of Bursa Securities and listing of and quotation for the entire issued and paid-up share capital of our Company on the Main Market of Bursa Securities.

The MITI has, via its letter dated 19 July 2013, stated that it has no objection to our IPO.

The GOM, via UKAS, has by way of a letter dated 25 June 2013 given its consent to our IPO and the Listing, on the condition that 51% of the equity shareholding in WMSB be held by Malaysian citizens at all times after the Listing.

In this regard, our Company will set up a committee chaired by our Chief Financial Officer for purposes of monitoring the equity shareholding of Malaysians in our Company ("**Monitoring Committee**") in order to ensure compliance with the equity condition imposed by the GOM, via UKAS at all times after the Listing. In doing so, the following reporting and remedial measures will be put in place:

(i) for as long as the level of shareholdings of Malaysians in our Company exceeds 60%, our Company Secretary will undertake a monthly reporting of the level of Malaysian shareholdings to the Monitoring Committee;

(ii) if the level of shareholdings of Malaysians in our Company decreases to between 55% and 60%, the frequency of reporting by our Company Secretary to the Monitoring Committee will increase to fortnightly basis; and

(iii) if the level of shareholdings of Malaysians in our Company falls below 55%, the reporting by our Company Secretary to the Monitoring Committee will be undertaken on a weekly basis and subsequently on a daily basis if the daily trading volume of WHB Shares exceeds 0.5% of our issued and paid up share capital. However, in the event the daily trading volume of WHB Shares subsequently falls below 0.5% of our issued and paid up share capital for five (5) consecutive market days, the frequency of reporting by our Company Secretary to the Monitoring Committee will revert to a weekly basis. Under such circumstance, where the level of shareholdings of Malaysians in our Company falls below 55%, the Monitoring Committee will make a recommendation to our Board to undertake the necessary measures to ensure that the level of shareholdings of Malaysians in our Company does not fall below 51%. Such measures include undertaking a proposal involving the issuance of new WHB Shares to Malaysians subject to regulatory and shareholders' approvals being obtained, if required, seeking the assistance of our Malaysian major shareholders to increase their shareholding in our Company, on best effort basis and subject always to compliance with all relevant laws, via open market purchases or otherwise, and also seeking indulgence from the GOM, via UKAS for an extension of time to comply with the said condition whilst we formulate remedial measures to address any shortfall.

At our next AGM which is anticipated to be held before 30 June 2014, we propose to seek a general mandate from our shareholders authorising our Board to issue up to 10% of our Company's outstanding share capital to facilitate the issuance of new WHB Shares at any time deemed necessary by our Board in order to address the equity shareholding condition imposed by the GOM, via UKAS, if required, without having to seek our shareholders' prior approval each time. To this end, we will also seek an undertaking from our substantial shareholders to vote in favour of the resolution in relation to the general mandate.

10.2 Moratorium on our Shares

Pursuant to the Equity Guidelines, the Shares held by our Promoters amounting to 1,596,000,000 Shares or 46.8% of our issued and paid-up share capital at the date of admission of our Company to the Official List of the Main Market of Bursa Securities are to be placed under moratorium. In this respect, the Shares that are subject to moratorium are set out below:

	Direct		Indirect	
Promoters	**No. of Shares[1]**	**%**	**No. of Shares[1]**	**%**
PRSB	1,476,650,000	43.30	-	-
SASB	119,350,000	3.50	-	-
Tan Sri Datuk Gnanalingam a/l Gunanath Lingam	-	-	1,476,650,000[2]	43.30
Ruben Emir Gnanalingam Bin Abdullah	-	-	1,596,000,000[3]	46.80

Notes:

(1) Assuming the Over-Allotment Option is not exercised.

10. APPROVALS AND CONDITIONS *(cont'd)*

(2) *Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB pursuant to Sections 69D and 6A(4) of the Act.*

(3) *Deemed interested by virtue of him being entitled to exercise not less than 15% of the votes attached to the voting shares in PRSB and SASB pursuant to Sections 69D and 6A(4) of the Act.*

Our Promoters have fully accepted the moratorium. Our Promoters will not be permitted to sell, transfer or assign any part of their interest in our Shares under moratorium for a period of six (6) months commencing from the date of our Listing. DISB (one of our Promoters), is not subject to the said moraturim as it will not hold any Shares upon our Listing.

The above restrictions do not apply:

(i) in respect of our Shares that may be sold pursuant to the Over-Allotment Option to be granted by the Over-Allotment Option Providers to the Stabilising Manager (on behalf of the Placement Managers); and

(ii) to the transfer of our Shares by the Over-Allotment Option Providers as contemplated under the Share Lending Agreement provided that these restrictions will apply to our Shares returned to the Over-Allotment Option Providers pursuant to the Share Lending Agreement.

The above moratorium restrictions are specifically endorsed on the share certificates representing the Shares held by our Promoters which are under moratorium to ensure that our Company's share registrar does not register any transfer that contravenes such restrictions.

In accordance with the Equity Guidelines, the direct shareholders of PRSB, namely Tan Sri Datuk Gnanalingam a/l Gunanath Lingam and Ruben Emir Gnanalingam Bin Abdullah have undertaken not to sell, transfer or assign any part of their shareholding in PRSB as at the date of Listing, for a period of six (6) months commencing from the date of our Listing.

In accordance with the Equity Guidelines, the direct shareholders of SASB, namely Ruben Emir Gnanalingam Bin Abdullah and Puan Sri Ng Siew Yong have undertaken not to sell, transfer or assign any part of their shareholding in SASB as at the date of Listing, for a period of six (6) months commencing from the date of our Listing.

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11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

11.1 Related party transactions

Under the Listing Requirements, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiaries that involves the interests, direct or indirect, of a related party. A "related party" of a listed issuer (not being a special purpose acquisition company) is:

(i) a director having the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or

(ii) a major shareholder of the listed issuer or its subsidiaries or holding company, being a shareholder who has or had an interest or interests in one (1) or more voting shares in a corporation (being either the listed issuer or its subsidiaries or holding company, or a combination of the said corporations) and the nominal amount of that share or the aggregate of the nominal amounts of those shares is:

(a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or

(b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation;

and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company; or

(iii) a person connected with such director or major shareholder.

Certain transactions, despite falling within the definition above, are not normally regarded as related party transactions. These are detailed in Paragraph 10.08(11) of the Listing Requirements.

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11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

11.1.1 Non-recurrent related party transactions

Save as disclosed below, there are no material related party transactions which are non-recurrent in nature that we have entered into or proposed to be entered by our Group with related parties for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 and the six (6) months ended 30 June 2013, up to 31 August 2013:

				Actual				Estimate
				Year ended 31 December			Six (6) months ended 30 June	1 July 2013 up to 31 August
No.	Transacting parties	Related parties and nature of relationship	Nature of transaction	2010	2011	2012	2013	2013
					(RM'000)		(RM'000)	(RM'000)
1.	WMSB and PRSB	**Interested major shareholder** PRSB **Interested Directors** • Tan Sri Datuk Gnanalingam a/l Gunanath Lingam • Ruben Emir Gnanalingam Bin Abdullah • Ahmayuddin Bin Ahmad • Chan Chu Wei	Provision of management services by PRSB to WMSB in accordance with the MSA where the management fees paid is based on 5% of our operational revenue, net of certain marketing expenses.	45,812	51,266	56,446	29,524	10,670

The above non-recurrent related party transaction was entered into in the normal course of business and on negotiated terms. With the termination of the MSA effective on 7 September 2013, PRSB is no longer entitled to the management fees under the MSA.

11.1.2 Recurrent related party transactions

Related party transactions can be deemed as recurrent, if they are entered into at least once every three (3) years, in the ordinary course of business and are of a revenue nature necessary for the day-to-day operations of our Group.

After the Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate.

Under the Listing Requirements, related party transactions may be aggregated to determine their materiality if the terms of such transactions were agreed upon within a 12 month period, such transactions which may be aggregated include:

(i) transactions with the same party or with parties connected to one another; or

(ii) transactions involving the acquisitions or disposal of securities or interests in one (1) corporation/asset; or

(iii) transactions involving the acquisition or disposal of various parcels of land contiguous to one another.

Our Group has not entered into and is not involved in any existing or potential recurrent related party transactions which is material to our Group that involves the interests, direct or indirect, of our related parties for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 and the six (6) months ended 30 June 2013, and we do not anticipate to enter into and/or to be involved in any material recurrent related party transaction until our next AGM which is anticipated to be held before 30 June 2014.

11.1.3 Transactions entered into that are unusual in their nature or conditions

There are no unusual transactions in their nature or conditions, involving goods, services, tangible or intangible assets to which we were a party in respect of the years ended 31 December 2010, 31 December 2011 and 31 December 2012 and the six (6) months ended 30 June 2013.

11.1.4 Outstanding loans made to or for the benefit of related parties

There are no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of our related parties, for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 and the six (6) months ended 30 June 2013.

11.2 Monitoring and oversight of related party transactions and conflicts of interest

11.2.1 Audit Committee review

The Audit Committee reviews related party transactions and conflicts of interests that may arise within our Group. The Audit Committee periodically reviews the procedures set by our Company to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms which are not more favourable to the related party than those generally available to third parties dealing at arm's length and are not to the detriment of our Company's minority shareholders. All reviews by the Audit Committee are reported to our Board for its further action.

11.2.2 Related party transactions and conflicts of interest

Related party transactions, by their very nature, involve conflicts of interests between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers and the Directors of our Group are also officers, directors and in some cases, shareholders of or who have interest in the shares of the related parties of our Group, as disclosed herein and, with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Group that all related party transactions are carried out in the best interest of our Group on normal commercial terms which are not more favourable to the related party than those generally available to third parties dealing at arm's length with our Group and are not to the detriment of our Company's minority shareholders.

11.3 Declarations by advisers on conflicts of interest

11.3.1 Declaration by Maybank IB

Maybank IB and its related and associated companies ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management, and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the role set out in this Prospectus. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group or any other entity or transactions for its own account or the account of its customers in debt or equity securities or senior loans. This is a result of the business of the Maybank Group generally acting independent of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the said interest. Nonetheless the Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require amongst others, segregation between dealing and advisory activities, and Chinese wall between different business divisions.

As at the LPD, the Maybank Group is one (1) of the holders of the SMTN II issued by WMSB. Maybank IB has confirmed that the aforesaid relationship would not give rise to a conflict of interest situation in its capacity as the Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter and Joint Underwriter as:

(i) the holding of the SMTN II arose in the ordinary course of business of the Maybank Group;

(ii) the conduct of the Maybank Group in respect of its banking business is strictly regulated by the Financial Services Act 2013 and the Maybank Group's own internal controls and checks; and

(iii) the outstanding amount arising from the Maybank Group's holding of the SMTN II is not material compared to the audited net assets of the Maybank Group as at 31 December 2012 of RM44.0 billion.

Maybank IB has also confirmed that it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as the Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter and Joint Underwriter.

11.3.2 Declaration by Credit Suisse

Credit Suisse, together with its affiliates, branches and subsidiaries (together, the "**Credit Suisse Group**"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the Credit Suisse Group may hold positions, for their own account or the accounts of customers, in equity, debt or other securities of members of our Company, the Selling Shareholders and their respective affiliates.

The Credit Suisse Group may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates in the ordinary course of business and have engaged, and may in the future engage, in commercial banking and investment banking transactions, including providing loans or entering into other financing arrangements, with our Company, the Selling Shareholders and their respective affiliates, for which we have received, or may in the future receive, customary compensation.

Credit Suisse confirms that, notwithstanding the above, it does not have a conflict of interest which prevents from acting in its capacity as Joint Global Coordinator and Joint Bookrunner in relation to our IPO and Listing.

The Credit Suisse Group will not receive any proceeds from our IPO, except with respect to the fees and expenses incurred by Credit Suisse in connection with acting as a Joint Global Coordinator and a Joint Bookrunner in relation to our IPO.

11.3.3 Declaration by Goldman Sachs

Goldman Sachs and members of the Goldman Sachs Group, Inc., ("**Goldman Sachs Group**") form a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment banking and financial advisory, investment management, principal investment, hedging, financing and brokerage activities and financial planning and benefits counselling for both companies and individuals. In the ordinary course of these activities, members of the Goldman Sachs Group may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. In addition, members of the Goldman Sachs Group have provided, and may in future provide investment banking services to our Group and/or the Group's shareholders, for which members of the Goldman Sachs Group have received or may receive compensation.

Goldman Sachs has concluded that, in its opinion, it does not have a conflict of interest that prevents it from acting as a Joint Global Coordinator and a Joint Bookrunner in relation to the Institutional Offering outside Malaysia.

11.3.4 Declaration by HSBC

HSBC and its subsidiaries including HSBC Bank Malaysia Berhad (collectively, the "**HSBC Group**") may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates in the ordinary course of business and have engaged, and/or may in the future engage, in commercial banking and investment banking transactions, including providing loans or entering into other financing arrangements, with our Company, the Selling Shareholders and their respective affiliates, for which we have received, or may in the future receive, customary compensation.

HSBC are of the view that, notwithstanding the above, there is no conflict of interest which prevents HSBC from acting in its capacity as a Joint Bookrunner in relation to our IPO.

11.3.5 Declaration by BofAML

Bank of America Corporation, the ultimate parent company of BofAML, and/or its subsidiaries, branches, affiliates and associates (collectively, the "**BAC Group**"), comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In its capacity as principal or agent, the BAC Group is, and may in the future, be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, trading (customer and proprietary) and brokerage), from which conflicting interests or duties may arise. Members of the BAC Group have engaged in, and may in the future engage in, investment banking and other commercial dealings with our Company and/or our affiliates and shareholders, in addition to the role set out in this Prospectus.

In addition, in the ordinary course of its business activities, BofAML and other members of the BAC Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with our Company, our affiliates and/or any other persons, or make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative securities) or financial instruments (including bank loans) of our Company or any of our affiliates.

BofAML confirms that in its view, it currently does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner for the Institutional Offering outside of Malaysia in relation to our IPO.

11.3.6 Declaration by AmInvestment

AmInvestment has confirmed that there is no conflict of interest in their capacity as the Joint Underwriter in relation to our IPO.

11.3.7 Declaration by RHB

RHB and its related companies ("**RHB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The RHB Group has engaged and may in the future, engage in transactions with and perform services for us and/or our affiliates in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the RHB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with us and/or our affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the businesses of the RHB Group generally acting independently of each other and accordingly there may be situations where parts of the RHB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Company and/or our affiliates.

RHB is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner and Joint Underwriter.

11.3.8 Declaration by HLIB

HLIB and its subsidiaries and associated companies, as well as its holding company, and the subsidiaries and associated companies of its holding company ("**HL Group**") are engaged in a diverse range of industries, banking and financial services, manufacturing and distribution, property development and investments, hospitality and leisure, and principal investments. In ordinary course of business, any member of the HL Group may at any time offer or provide its services to or engage in transactions with any member of our Company.

Notwithstanding the above, HLIB is of the view that there is no conflict of interest in its capacity as a Joint Bookrunner for our IPO.

11.3.9 Declaration by KPMG

KPMG confirms that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to our Company in relation to our IPO.

11.3.10 Declaration by Kadir Andri & Partners

Kadir Andri & Partners confirms that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to Malaysian Law in relation to our IPO.

11.3.11 Declaration by Clifford Chance

Clifford Chance confirms that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to US and English Law in relation to our IPO.

11.3.12 Declaration by Albar & Partners

Albar & Partners confirms that there is no conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters as to Malaysian law in relation to our IPO.

11.3.13 Declaration by Baker & McKenzie.Wong & Leow

Baker & McKenzie.Wong & Leow confirms that there is no conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators and Joint Bookrunners as to US federal securities law in relation to our IPO.

11.3.14 Declaration by Drewry Maritime Advisors

Drewry Maritime Advisors confirms that there is no conflict of interest in its capacity as the Independent Market Researcher to our Company in relation to our IPO.

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12.1 Selected historical consolidated financial data

The following selected historical audited consolidated financial data for the three (3) years ended 31 December 2010, 2011 and 2012 and for the six (6) months ended 30 June 2013 and our unaudited consolidated financial data for the six (6) months ended 30 June 2012 have been extracted from our consolidated financial statements. Our consolidated financial statements are prepared in accordance with MFRS and IFRS.

The following selected historical consolidated financial data should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects" in Section 12.2 of this Prospectus and the Accountants' Report in Section 13 of this Prospectus.

The selected historical consolidated financial data included in this Prospectus does not reflect our Group's results of operations, financial position and cash flows in the future, and our Group's past operating results are not indicative of our Group's future operating performance.

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Profit or loss and other comprehensive income data:					
Revenue[1]	998,548	1,387,374	1,492,262	629,775	750,084
Cost of sales[1]	(434,756)	(782,757)	(823,489)	(301,181)	(402,182)
Gross profit	563,792	604,617	668,773	328,594	347,902
Other income	39,944	14,591	13,734	7,763	35,982
Administrative expenses	(68,074)	(81,504)	(72,585)	(35,920)	(41,206)
Other expenses	(107,420)	(124,754)	(125,509)	(62,221)	(67,267)
Results from operating activities	428,242	412,950	484,413	238,216	275,411
Finance income	7,196	6,977	7,119	3,697	4,789
Finance costs	(49,845)	(54,873)	(56,859)	(28,612)	(28,256)
Profit before tax	385,593	365,054	434,673	213,301	251,944
Tax expense	(100,737)	(48,581)	(73,713)	(51,388)	(53,548)
Profit for the year/period	284,856	316,473	360,960	161,913	198,396
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Fair value of available-for-sale financial assets	-	1,643	(1,643)	(1,643)	-
Total comprehensive income attributable to owners of the Company	**284,856**	**318,116**	**359,317**	**160,270**	**198,396**
Other selected financial data:					
EBITDA[2]	545,801	527,968	597,646	293,169	336,258
Gross profit margin (including Construction revenue) (%)	56.5	43.6	44.8	52.2	46.4
Gross profit margin (excluding Construction revenue) (%)	57.8	54.2	54.5	54.7	54.1
PBT margin (%)	38.6	26.3	29.1	33.9	33.6
PAT margin (%)	28.5	22.8	24.2	25.7	26.4
EBITDA margin (including Construction revenue) (%)	54.7	38.1	40.0	46.6	44.8
EBITDA margin (excluding Construction revenue) (%)	56.0	47.3	48.7	48.8	52.3
No. of ordinary shares of RM1.00 each in issue ('000)	117,000	117,000	117,000	117,000	117,000

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2012	2013	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
NA	1,311,837	1,328,314	1,488,029	1,387,257	1,515,623
NA per share (RM)	11.21	11.35	12.72	11.86	12.95
Gross EPS[(3)] (sen)	329.57	312.01	371.52	182.31	215.34
Net EPS[(4)] (sen)	243.47	270.49	308.51	138.39	169.57
Net dividends per share (RM)	1.1	2.6	1.7	0.9	1.5

Notes:

(1) The following table sets forth the breakdown of revenue and cost of sales after taking into account the revenue and cost attributable to Construction:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Revenue (including Construction revenue)	998,548	1,387,374	1,492,262	629,775	750,084
Cost of sales (including Construction cost)	(434,756)	(782,757)	(823,489)	(301,181)	(402,182)
Revenue (excluding Construction revenue)	974,954	1,115,330	1,226,165	600,545	642,758
Cost of sales (excluding Construction cost)	(411,162)	(510,713)	(557,392)	(271,951)	(294,856)

(2) EBITDA represents earnings before finance income and finance costs, taxation, depreciation and amortisation. The table below sets forth a reconciliation of our profit for the year to EBITDA.

	Audited			Unaudited	Audited
	For the year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
PAT	284,856	316,473	360,960	161,913	198,396
Tax expense	100,737	48,581	73,713	51,388	53,548
PBT	385,593	365,054	434,673	213,301	251,944
Finance income	(7,196)	(6,977)	(7,119)	(3,697)	(4,789)
Finance costs	49,845	54,873	56,859	28,612	28,256
Depreciation and amortisation	117,559	115,018	113,233	54,953	60,847
EBITDA	**545,801**	**527,968**	**597,646**	**293,169**	**336,258**

EBITDA, as well as the related ratios presented in this Prospectus, are supplemental measures of our performance and liquidity that are not required by or presented in accordance with MFRS and IFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under MFRS and IFRS, and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with MFRS and IFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

(3) Computed based on the PBT of our Group divided by 117,000,000 ordinary shares of RM1.00 each in WHB.

(4) Computed based on the PAT of our Group divided by 117,000,000 ordinary shares of RM1.00 each in WHB.

12.2 Management's discussion and analysis of financial condition, results of operations and prospects

The following discussion and analysis should be read in conjunction with the selected historical consolidated financial data presented in Section 12.1 of this Prospectus, as well as the Accountants' Report included in Section 13 of this Prospectus. Our audited consolidated financial statements for the years ended 31 December 2010, 2011 and 2012 and for the six (6) months ended 30 June 2013 and our unaudited consolidated financial statements for the six (6) months ended 30 June 2012 have been prepared in accordance with MFRS and IFRS. You are advised that any evaluation of our business should be made with reference to the information contained in Section 5 of this Prospectus.

12.2.1 Overview

We are the operator of Westports. We handle container and conventional cargo, and also provide a wide range of port services, including marine services, rental services and other ancillary services.

Our container business has grown rapidly in the last decade, from handling approximately 2.0 million TEUs in 2002 to approximately 6.9 million TEUs in 2012, representing a CAGR of 13.2%, compared with a CAGR of 8.3% in global gross container throughput over the same period, according to Drewry Maritime Advisors. For the six (6) months ended 30 June 2013, we handled 3.6 million TEUs of container cargo.

Our port facilities include a total of 25 berths with an aggregate length of approximately 6,642 metres, of which 18 berths are contiguously connected in a straight line extending to approximately 4,800 metres. The straight line arrangement of the berths allows for greater flexibility in berthing vessels, thus resulting in higher berth utilisation. It also allows for the ability to handle large vessels (vessels over 300 metres in length). We are expanding our facilities further with an additional container terminal CT7. We have also commenced land reclamation and development work for two (2) additional container terminals, CT8 and CT9, respectively.

With the completion of construction and commencement of operations in all areas of CT6 in March 2013, we currently have a handling capacity of approximately 9.5 million TEUs per annum, which is expected to increase to approximately 11.0 million TEUs per annum in 2015 once CT7 is fully operational. We also have the potential to increase our handling capacity to approximately 16.0 million TEUs per annum upon the completion of CT8 and CT9. Our conventional terminals handled approximately 10.2 million tonnes and 5.3 million tonnes of bulk cargo in 2012 and the six (6) months ended 30 June 2013, respectively (excluding RORO cargo).

For the years ended 31 December 2010, 2011 and 2012, we generated total operational revenue (total revenue excluding Construction revenue) of RM975.0 million, RM1,115.3 million and RM1,226.2 million, respectively, and PAT of RM284.9 million, RM316.5 million and RM361.0 million, respectively. For the six (6) months ended 30 June 2012 and 2013, we generated total operational revenue of RM600.5 million and RM642.8 million, respectively, and PAT of RM161.9 million and RM198.4 million, respectively.

12.2.2 Factors affecting our financial condition and results of operations

Our financial condition and results of operations have been, and are expected to be affected by, amongst others, the principal factors set forth below.

(i) Levels of regional and global trade and globalisation

Our revenue and results of operations are dependent on throughput volumes and transhipment activity at Westports, which in turn depend on worldwide trade volumes as well as the import and export volumes of the region in which we operate. Global trade volumes and the import and export volumes of the region in which we operate are significantly affected by changes in global and regional economic, financial and political conditions that are beyond our control. For the years ended 31 December 2010, 2011 and 2012, we handled 5.6 million, 6.4 million and 6.9 million TEUs of container cargo and 8.9 million, 9.6 million and 10.2 million tonnes of conventional cargo, respectively. For the six (6) months ended 30 June 2012 and 2013, we handled 3.4 million TEUs and 3.6 million TEUs of container cargo and 5.0 million tonnes and 5.3 million tonnes of conventional cargo, respectively. The growth in container cargo volumes has largely been driven by a systemic shift in global manufacturing capacity and output from west to east, especially towards China while conventional cargo volumes have remained relatively flat and are not expected to grow at the same rate as container cargo due to market saturation. Westports' transhipment and Import/Export activity has recently benefited from the growth in trading volume along the Asia-Europe shipping route as well as an increase in local import and export activity as a result of increasing trade to and from Malaysia. We believe that future growth in container cargo volumes will be dependent on the health of East Asian economies and the continuing globalisation of the developing world, where the trend of increasing demand for the containerisation of cargo is most prevalent.

(ii) Competition from other regional and global container terminal operators

We face competition from container terminal operators in the region, including Port of Singapore as well as Port of Tanjung Pelepas and Northport in Malaysia, and, to a lesser extent, container terminal operators globally. Container terminal operators in the region and globally compete for throughput based on a variety of factors, mainly capacity, operational efficiency, pricing and connectivity of their terminal portfolios.

(a) Capacity

Westports currently has container cargo handling capacity of approximately 9.5 million TEUs per annum as at 30 June 2013, which has grown from 4.5 million TEUs per annum in 2001 as indicated in the following table:

	As at 31 December				As at 30 June
	2001	**2005**	**2009**	**2012**	**2013**
Capacity (million TEUs)...	4.5	6.0	7.5	8.9	9.5

As customers cargo shipments grow, ports with excess capacity to handle such additional cargo will be best placed to meet customers' needs and to grow revenues. As such, we expect to continue to undertake expansion projects to meet customers' demands. Our handling capacity is expected to increase to 11.0 million TEUs per annum in 2015 once CT7 is fully operational. We also have the potential to increase our handling capacity to approximately 16.0 million TEUs per annum upon the completion of CT8 and CT9. We expect CT7 to be completed and become fully operational in 2015. The timing and construction of CT8 and CT9 will depend on market conditions. The construction of these additional container terminals may increase capital expenditure and manpower costs without contemporaneous growth in revenues while in the development phase. For details of our capacity expansion plan refer to Section 7.6.6 of this Prospectus.

In addition, we seek to generate additional value out of our existing facilities by increasing capacity through the addition of quay cranes and implementing operational efficiencies, which in turn facilitates increased throughput.

(b) Operational efficiency

In addition to investment in additional capital to increase capacity and deploy new assets, we seek to reduce our cost base and achieve optimal operating efficiency by fully utilising our existing assets for our container terminals to decrease cargo handling and vessel turnaround times, reduce cargo losses through mechanised handling and reduce in inland freight transit distances. Increasing our operational efficiency may help us pass on costs savings to our customers and maintain good customer relations while reducing customer defection, thereby maintaining our competitive position.

Increases in operational efficiency can be achieved by, among other things:

- introducing new technologies to speed up berthing processes thereby shortening port stays and turnaround times;
- improving landside support to ensure that containers are quickly and efficiently transported to and from our terminals;
- using external depot functions to increase the capacity for container storage;
- actively manage periods for which containers are stored by incentivising customers to take delivery of containers that have arrived in the port as quickly as possible; and
- optimising berth utilisation, which involves arranging berthing locations for different-sized ships to ensure that a maximum of berth length is used.

In addition, berthing and un-berthing, the flow of traffic at Westports, the capacity of equipment and storage facilities also affect the utilisation of the berths and total throughput.

(c) Pricing

Besides having sufficient capacity and achieving high operational efficiency, our ability to attract and retain customers is also dependent on tariffs, incentives and overall cost savings provided to the customer, including end-to-end logistics cost. Our maximum published tariffs are set by the GOM and regulated by the PKA. Generally, the prices we charge for our services depend on a number of factors including: (i) whether it is transhipment cargo or Import/Export cargo; (ii) the type of containers or conventional cargo handled; and (iii) the type of services provided (such as loading and unloading of containers and transfer of containers both within and out of the terminal). For details on risks relating to pricing, refer to Section 5.1.11 of this Prospectus.

(d) Connectivity

Connectivity plays a large role in shipping lines choosing a port for the movement of transhipment cargo. Adequate and efficient connectivity enables shippers to, among other things, reduce shipping time and maintain more frequent connections. Efficient transhipment connectivity depends to a great extent on feeder services which govern the movement of transhipment cargo. As such, positive relationships and arrangements with third party feeder service providers are important to ensuring that feeder services at our port are attractive to shipping lines.

In addition, though to a lesser extent, Import/Export connectivity, namely proximity and intermodal connections, via road, rail and air to hinterlands also has an effect on our results of operations. Our location in Port Klang provides us with connectivity throughout Malaysia and the region. For details on our port location, refer to Section 7.5 of this Prospectus.

(iii) Transhipment and Import/Export mix

For the year ended 31 December 2012 and for the six (6) months ended 30 June 2013, approximately 71.0% and 69.4%, respectively, of our gross container throughput was transhipment throughput and approximately 29.0% and 30.6%, respectively, of our gross container throughput was Import/Export throughput.

As Import/Export throughput is usually handled by a terminal close to the point of consumption or production, Import/Export throughput is generally less likely to be lost to competitors and is less price-sensitive than transhipment throughput. Import/Export generally provides higher tariffs per move than transhipment and provides better margins for the container terminal operator. In addition, there is also potential for earning incremental revenue from ancillary services such as delivery, cleaning and repair of Import/Export containers. We expect Import/Export containers to remain a significant source of throughput for our terminals. To make our throughput volume less susceptible to the volatility of transhipment volume, we offer value added services which encourage customers to maintain, and possibly increase, their current levels of throughput at our port. Additionally, the development of sophisticated route networks by shipping lines, together with the limited number of terminals that can efficiently service the growing number of large container ships, increases the potential for, and our ability to attract, additional transhipment volume.

(iv) Costs of operations

Our primary costs in our operations relate to costs such as manpower costs, fuel and electricity costs, depreciation and amortisation and finance costs.

(a) Manpower costs

A large portion of our expenses are related to our manpower costs, which we incur as cost of sales as well as other operating expenses. For the years ended 31 December 2010, 2011 and 2012, our manpower costs reported as cost of sales were 24.6%, 24.4% and 25.4% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, our manpower costs reported as cost of sales were 25.2% and 24.6% of our total operational cost of sales, respectively. We expect our manpower costs to increase in 2013 due to the anticipated growth in container throughput and also in 2014 as a result of our ongoing container terminal expansion.

(b) Fuel and electricity costs

Fuel and electricity costs accounted for 15.8%, 18.9% and 19.1% of our total operational cost of sales, respectively, for the years ended 31 December 2010, 2011 and 2012. Fuel and electricity costs accounted for 19.5% and 17.5% of our total operational cost of sales, respectively, for the six (6) months ended 30 June 2012 and 2013. Diesel prices in Malaysia fluctuate in line with global oil prices as well as the strength of the RM. Any increase in fuel price and fuel consumption would contribute to the increase in our fuel cost. Our gross profit margin would only be impacted by the increase in fuel price. Further, we expect our fuel and electricity costs to increase in 2013 and 2014 as a result of higher container throughput to be handled in both years.

(c) Depreciation and amortisation

Depreciation and amortisation primarily includes depreciation of fixed assets and amortisation of dredging expenses and concession assets, which arise from the relevant port infrastructure and facilities, including terminals, buildings and warehouse, paved areas, and landscaping as well as the lease rental payables for the relevant port infrastructures and facilities under the Privatisation Agreement. Amortisation of assets under construction included in concession assets commences only when the assets are ready for their intended use and are amortised over the remaining concession period. As a result, as at 30 June 2013, we expect the recognition of additional amortisation expenses after the completion of the construction works for CT7.

(d) Finance costs

Our ability to grow is largely dependent on cost effective funding and was primarily met through our SMTN Programmes. For details on our borrowings, refer to Section 12.2.6(iii) of this Prospectus. Borrowing costs as well as the overall cost of funding depend on many external factors, including developments in the Malaysian credit market and, in particular, profit rate movements and the existence of adequate liquidity in the debt markets. With the growth of our operations, we intend to drawdown on our SMTN II in order to finance our expansion, which we believe will increase our finance costs in the near future and increase our debt obligation.

(v) Tax benefits

The GOM provides certain tax incentives for the promotion of investments in selected industries in Malaysia, including the Investment Tax Allowance. The rate of the Investment Tax Allowance is 60% of the qualifying capital expenditures used for the approved project and this amount is in addition to capital allowance claims. The Investment Tax Allowance can be set off against up to 70% of statutory income for each year of assessment. Based on the letter of approval from the Ministry of Finance dated 27 May 2010, we are entitled to claim the Investment Tax Allowance on the qualifying capital expenditures incurred between Year of Assessment 2010 and Year of Assessment 2014, which can be carried forward indefinitely until it is fully utilised. We intend to apply for an extension of the qualifying period to Year of Assessment 2019. We may be subject to increased tax expenses if the renewal is not approved.

12.2.3 Critical accounting policies

In preparing our consolidated financial statements in conformity with the MFRS and IFRS, we make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. We base these judgements, estimates and assumptions on our historical experience and on various assumptions that we believe to be reasonable under the circumstances, the results of which form our basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Our financial performance may differ if prepared under different assumptions or conditions. For additional information, see note 2 to the Accountants' Report included in Section 13 of this Prospectus.

Some of our accounting policies require a higher degree of judgement than others in their application. The most significant policies involving our judgement and estimates are described below.

(i) Revenue and other income

- **Service concession arrangement**

  Service revenue is recognised in the profit or loss upon the performance of services in respect of port operations, net of discounts at the end of the reporting period.

Revenue related to construction or upgrade services under a service concession arrangement, pursuant to the Privatisation Agreement, is recognised based on the stage of completion of the work performed. For additional information on Construction revenue of port infrastructures, see note 15 to the Accountants' Report included in Section 13 of this Prospectus.

(ii) Property, plant and equipment

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(a) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to us, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss.

The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(b) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

	Useful lives
Plant, machinery and equipment	5-30 years
Motor vehicles	5-7 years
Office equipment, furniture and fittings	3-10 years

Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Spares are not depreciated and are charged to profit or loss upon usage.

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

(iii) Concession assets

(a) Recognition and measurement

- **Service concession arrangement**

Pursuant to the Privatisation Agreement, WMSB was granted a licence to provide port services for an initial period of 30 years with an additional 30 years upon the fulfilment of the terms and conditions as set out in the Privatisation Agreement, primarily commitments to construct and operationalise certain additional port infrastructures and facilities in respect of our port. Refer to Section 7.23 of this Prospectus for additional information. In addition, such extended and supplemental arrangements may result in consequent re-basing of lease payments to reflect prevailing arrangements and conditions.

We recognise concession assets arising from a service concession arrangement when we have a right to charge for usage of the concession infrastructures and facilities. Concession assets received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition. Subsequent to initial recognition, the concession assets are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of concession assets in a service concession arrangement is the concession period extended to us.

We recognised port infrastructure and facilities as concession assets which include land reclamation, terminals, buildings, warehouse, paved areas, landscaping and certain assets under constructions.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

- **Annual lease payments for the use of port infrastructures and facilities**

  We recognised concession assets (and related provision for concession liability) arising from lease rental payable for the relevant port infrastructures and facilities under the Privatisation Agreement at fair value on the first day of the service concession arrangement or where impracticable, on the earliest period presented, arising from the adoption of IC Interpretation 12. For additional information on the provision for concession liability, see note 14 to the Accountants' Report included in Section 13 of this Prospectus.

  The concession assets arising from the above are amortised over the relevant concession period.

  Upon initial recognition, the concession assets are measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the concession assets are accounted for in accordance with the accounting policy applicable to concession assets.

  Minimum lease payments made are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the concession period so as to produce a constant periodic profit rate of interest on the remaining balance of the liability.

(b) Subsequent costs

When significant parts of concession assets are required to be replaced in intervals, we recognise such parts as individual assets at cost with specific useful lives and depreciation, respectively.

(c) Amortisation

Concession assets (other than annual lease payments for the use of land and facilities) are amortised over the extended concession period. The initial concession period is 30 years ending 2024 and an additional period of 30 years is upon the fulfilment of the terms and conditions as set out under the Privatisation Agreement. Amortisation on assets under construction included in concession assets commences only when the assets are ready for their intended use and are amortised over the remaining concession period.

(d) Determination of fair values

The fair value of a concession asset received as consideration for providing construction services in a service concession arrangement is estimated by reference to the fair value of the construction services provided. The fair value is calculated as the estimated total Construction cost plus a profit margin, which we evaluate and determine to be a reasonable margin earned.

When we receive a concession asset and a financial asset as consideration for providing construction services in a service concession arrangement, we estimate the fair value of concession assets as the difference between the fair value of the construction services provided and the fair value of the financial asset received.

(iv) Financial instruments

(a) Initial recognition and measurement

A financial asset or financial liability is recognised in the statement of financial position when, and only when, we become a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(b) Financial instrument categories and subsequent measurement

We categorise financial instruments as follows:

- **Financial assets**

(aa) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market and also includes trade and other receivables and cash and bank balances.

Financial assets with fixed and determinable payments that are not quoted in an active market categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(bb) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debts securities instruments that are not held for trading and also includes investments in money market funds.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for debt instruments using the effective interest method is recognised in profit or loss.

Loans and receivables and available-for-sale financial assets are subject to review for impairment. For additional information on the fair value of our financial instruments, see note 26.7 to the Accountants' Report included in Section 13 of this Prospectus.

- **Financial liabilities**

  All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

  Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

  Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

  Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(c) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Impairment

- **Financial assets**

All financial assets are assessed at each reporting date whether there is any objective evidence of impairment as a result of one (1) or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the financial asset's recoverable amount is estimated.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. For additional information on the impairment of financial assets - receivables, see note 26.4 to the Accountants' Report included in Section 13 of this Prospectus.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of an unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

- **Other assets**

The carrying amounts of other assets (except for deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amount of other assets in the cash-generating unit (groups of cash-generating units) on a pro-rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(v) **Employee benefits**

(a) **Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related services are provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) **State plans**

Our contributions to statutory pension funds are charged to profit or loss in the year to which they relate. Once the contributions have been paid, we have no further payment obligations.

(c) **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Our net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

We determine the present value of the defined benefit obligation and fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date. We recognise all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at reporting date of government securities which have currency and terms to maturity approximating the terms of the related liability.

We have a defined benefit plan, the benefit of which is payable upon retirement, calculated by reference to length of service and the employees' estimated retirement basic salary. The liability in respect of the defined benefit plan recognised as at 31 December 2010, 2011, 2012 and 30 June 2013 is the present value of the defined benefit obligation at the reporting date. As at 31 December 2010, 2011, 2012 and 30 June 2013, the defined benefit plan is unfunded. For additional information on employee benefits, see note 11 to the Accountants' Report included in Section 13 of this Prospectus.

(vi) **Contingencies**

(a) **Contingent liabilities**

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one (1) or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(b) **Contingent assets**

Where it is not probable that an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statement of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one (1) or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

12.2.4 Components of results of operations

The components of our results of operations are as follows:

(i) **Revenue**

Our operational revenue is generated from port operations, which is broken down into the following primary services: (i) container cargo ("**Container**"); (ii) conventional cargo ("**Conventional**"); (iii) marine services ("**Marine**"); and (iv) rental income from land and buildings ("**Rental**"). The following table sets forth our revenue breakdown for the periods indicated, in absolute terms and expressed as a percentage of total operational revenue:

	Audited						Unaudited		Audited	
	Year ended 31 December						Six (6) months ended 30 June			
	2010		2011		2012		2012		2013	
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Container	788,960	80.9	914,651	82.0	1,009,247	82.3	498,191	83.0	524,434	81.6
Conventional	96,790	9.9	104,868	9.4	122,698	10.0	57,244	9.5	67,201	10.4
Marine	57,022	5.9	64,557	5.8	64,134	5.2	30,337	5.0	35,365	5.5
Rental	32,182	3.3	31,254	2.8	30,086	2.5	14,773	2.5	15,758	2.5
Total operational revenue	**974,954**	**100.0**	**1,115,330**	**100.0**	**1,226,165**	**100.0**	**600,545**	**100.0**	**642,758**	**100.0**
Construction	23,594		272,044		266,097		29,230		107,326	
Total revenue	**998,548**		**1,387,374**		**1,492,262**		**629,775**		**750,084**	

Container revenue is the largest component of our total operational revenue and is generated mainly from terminal handling charges for the Import/Export and transhipment containers, including the income from value added services. Our Container revenue increased from 2010 to 2012 primarily due to an increase in container throughput. Similarly, our Container revenue increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 primarily due to an increase in Import/Export throughput. For the years ended 31 December 2010, 2011 and 2012, Container revenue accounted for 80.9%, 82.0% and 82.3% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, Container revenue accounted for 83.0% and 81.6% of our total operational revenue, respectively.

Conventional revenue is generated mainly from dry bulk cargo services, liquid bulk cargo services, break bulk cargo services, RORO cargo services and cement cargo services. Our Conventional revenue increased from 2010 to 2012 primarily due to an increase in conventional cargo throughput. Similarly, our Conventional revenue increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 primarily due to an increase in conventional cargo throughput. For the years ended 31 December 2010, 2011 and 2012, Conventional revenue accounted for 9.9%, 9.4% and 10.0% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, Conventional revenue accounted for 9.5% and 10.4% of our total operational revenue, respectively.

Marine revenue is generated mainly from fees earned from tug boat services and pilotage services, which we outsource to third parties. Our Marine revenue increased from 2010 to 2011 primarily due to an increase in the total number of vessels calling at Westports as well as an increase in the number of large vessels (vessels over 300 metres in length) calling at Westports. Similarly, our Marine revenue increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to an increase in the total number of vessels calling at Westports. For the years ended 31 December 2010, 2011 and 2012, Marine revenue accounted for 5.9%, 5.8% and 5.2% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, Marine revenue accounted for 5.0% and 5.5% of our total operational revenue, respectively.

Rental revenue is generated mainly from the rental of our facilities, including the sublease of the landed area, warehouses, open yard, on-dock depot and business centre. Our Rental revenue decreased from 2010 to 2012 primarily due to the non-renewal of a contract by one of our tenants. Our Rental revenue increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to the addition of two (2) new customers in 2013. For the years ended 31 December 2010, 2011 and 2012, Rental revenue accounted for 3.3%, 2.8% and 2.5% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, Rental revenue accounted for 2.5% of our total operational revenue.

Construction revenue, in accordance with IC Interpretation 12, equals the fair value of port-related infrastructure under construction, based on the stage of completion of the work performed. The fair value of such infrastructure is deemed to be the cost of the construction as well as any additional construction-related costs, such as labour costs. As construction works are contracted out to third parties, Construction revenue reported equals Construction costs. Our Construction revenue increased from 2010 to 2011 primarily due to an increase in construction activity related to CT6 and an increase in land reclamation works, and decreased from 2011 to 2012 due to a decrease in land reclamation works. Our Construction revenue increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to the completion of CT6 Phase II and the commencement of construction of CT7 Phase I.

(ii) Cost of sales

Our cost of sales is primarily made up of Container cost, Conventional cost, Marine cost, fuel cost, manpower cost, depreciation and amortisation, electricity cost and Construction cost. The following table sets forth our cost of sales breakdown for the periods indicated, in absolute terms and expressed as a percentage of total operational cost of sales:

	Audited						Unaudited		Audited	
	Year ended 31 December						Six (6) months ended 30 June			
	2010		2011		2012		2012		2013	
	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)	(RM '000)	(%)
Container	117,298	28.5	156,646	30.7	171,800	30.8	84,041	30.9	96,348	32.7
Conventional	10,491	2.6	12,369	2.4	16,496	3.0	7,645	2.8	9,605	3.2
Marine	24,599	6.0	30,345	5.9	30,860	5.5	15,429	5.7	15,093	5.1
Fuel	51,863	12.6	80,698	15.8	87,261	15.7	43,662	16.1	41,441	14.1
Manpower	100,942	24.6	124,794	24.4	141,660	25.4	68,632	25.2	72,474	24.6
Depreciation and amortisation	92,727	22.5	90,097	17.7	90,348	16.2	43,256	15.9	49,791	16.9
Electricity	13,242	3.2	15,764	3.1	18,967	3.4	9,286	3.4	10,104	3.4
Total operational cost of sales	**411,162**	**100.0**	**510,713**	**100.0**	**557,392**	**100.0**	**271,951**	**100.0**	**294,856**	**100.0**
Construction	23,594		272,044		266,097		29,230		107,326	
Total cost of sales	**434,756**		**782,757**		**823,489**		**301,181**		**402,182**	

Container cost is the largest component of our cost of sales and is mainly comprised of marketing expenses and maintenance and repair expenses. Our Container cost increased from 2010 to 2012 primarily due to an increase in container throughput as well as an increase in marketing expenses in 2011 to bring more container volume to Westports in the aftermath of the global economic downturn in 2009. Our Container cost increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 primarily due to an increase in marketing expenses and increased maintenance and repair expenses. For the years ended 31 December 2010, 2011 and 2012, Container cost accounted for 28.5%, 30.7% and 30.8% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, Container cost accounted for 30.9% and 32.7% of our total operational cost of sales, respectively.

Conventional cost is generated mainly from stevedoring costs relating to break bulk operations and the handling and maintenance costs for our break bulk and dry bulk equipment. Our Conventional cost increased from 2010 to 2012 primarily due to an increase in rates paid to third party contractors for handling break bulk cargo as well as an increase in conventional cargo throughput. Our Conventional cost increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 primarily due to an increase in handling of break bulk cargo. For the years ended 31 December 2010, 2011 and 2012, Conventional cost accounted for 2.6%, 2.4% and 3.0% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, Conventional cost accounted for 2.8% and 3.2% of our total operational cost of sales, respectively.

Marine cost comprises costs relating to tug boats and pilotage. Our Marine cost increased from 2010 to 2011 primarily due to an increase in the number of tug boats hired in 2011 from six (6) tug boats in 2010 to eight (8) tug boats in 2011 as well as an increase in the daily charter hire rates for certain tug boats. Our Marine cost decreased from RM15.4 million for the six (6) months ended 30 June 2012 to RM15.1 million for the six (6) months ended 30 June 2013 due to a decrease in the number of tug boats hired from eight (8) tug boats for the six (6) months ended 30 June 2012 to seven (7) tug boats for the six (6) months ended 30 June 2013. For the years ended 31 December 2010, 2011 and 2012, Marine cost accounted for 6.0%, 5.9% and 5.5% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, Marine cost accounted for 5.7% and 5.1% of our total operational cost of sales, respectively.

Fuel cost comprises fuel purchased for our operations mainly for consumption by tugboats, RTGs and prime movers. Our fuel cost increased from 2010 to 2012 primarily due to increases in container throughput and the average price of fuel. Our fuel cost decreased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to a decrease in average fuel price. For the years ended 31 December 2010, 2011 and 2012, fuel cost accounted for 12.6%, 15.8% and 15.7% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, fuel cost accounted for 16.1% and 14.1% of our total operational cost of sales, respectively.

Manpower cost comprises staff wages and salaries related to our operations. Our manpower cost increased from 2010 to 2012 primarily due to an increase in the number of employees in anticipation of commencement of operation of CT6 Phase I and CT6 Phase II. Our manpower cost increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 primarily due to an increase in the number of employees for operations related to CT6 Phase II.The increase in 2011 was also due to the implementation of minimum wage adjustments for our operational employees. For the years ended 31 December 2010, 2011 and 2012, manpower cost accounted for 24.6%, 24.4% and 25.4% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, manpower cost accounted for 25.2% and 24.6% of our total operational cost of sales, respectively.

Depreciation and amortisation cost comprises depreciation charged for, amongst others, terminal operating equipment and buildings while concession assets and dredging expenses are amortised. Our depreciation and amortisation cost decreased from 2010 to 2011 primarily due to a decrease in amortisation cost in relation to the decrease in dredging expenses, offset by an increase in property, plant and equipment as a result of the completion of CT6 Phase I. Our depreciation and amortisation cost increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to additional depreciation and amortisation for CT6 wharves and terminal operating equipment. For the years ended 31 December 2010, 2011 and 2012, depreciation and amortisation cost accounted for 22.5%, 17.7% and 16.2% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, depreciation and amortisation cost accounted for 15.9% and 16.9% of our total operational cost of sales, respectively.

Electricity cost is mainly from the usage of electricity for operating equipment. Our electricity cost increased from 2010 to 2012 primarily due to an increase in container handling in line with the increase in throughput. Similarly, our electricity cost increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to increased container throughput. For the years ended 31 December 2010, 2011 and 2012, electricity cost accounted for 3.2%, 3.1% and 3.4% of our total operational cost of sales, respectively. For the six (6) months ended 30 June 2012 and 2013, electricity cost accounted for 3.4% of our total operational cost of sales.

(iii) Gross profit and gross profit margin

The following table sets forth the gross profit and gross profit margin (both including and excluding Construction revenue) for the periods indicated:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Revenue (including Construction revenue)	998,548	1,387,374	1,492,262	629,775	750,084
Cost of sales (including Construction cost)	(434,756)	(782,757)	(823,489)	(301,181)	(402,182)
Revenue (excluding Construction revenue)	974,954	1,115,330	1,226,165	600,545	642,758
Cost of sales (excluding Construction cost)	(411,162)	(510,713)	(557,392)	(271,951)	(294,856)
Gross profit[(1)]	563,792	604,617	668,773	328,594	347,902
Gross profit margin (including Construction revenue) (%)	56.5	43.6	44.8	52.2	46.4
Gross profit margin (excluding Construction revenue) (%)	57.8	54.2	54.5	54.7	54.1

Note:

(1) Gross profit including and excluding Construction revenue and Construction costs are equal.

Gross profit increased by 7.2% from RM563.8 million for the year ended 31 December 2010 to RM604.6 million for the year ended 31 December 2011 as our total revenue increased by 38.9% over the same period. However, gross profit margin (excluding Construction revenue) declined by 3.6% from 57.8% to 54.2% during the same period mainly due to the increase in Container cost as a result of an increase in marketing expenses incurred in 2011 to bring more container volume to Westports in the aftermath of the global economic downturn in 2009 as well as the increase in Conventional cost due to increase in rates paid to third party contractors. The decline in gross profit margin was also due to the increase in fuel, manpower and Marine costs. In 2011, fuel price increased by 40.0% (which led to the decline in our gross profit margin by approximately 1.7%) and additional employees were hired in anticipation of the commencement of operation of CT6 Phase I. During the same year, we also started to implement the minimum wage adjustments for our operational employees. The increase in Marine cost was mainly due to the hiring of additional tug boats and increase in charter hire rate of certain tug boats.

Gross profit increased by 10.6% from RM604.6 million for the year ended 31 December 2011 to RM668.8 million for the year ended 31 December 2012 mainly due to the increase in throughput for both Container and Conventional segments. There was a slight increase in our gross profit margin (excluding Construction revenue) by 0.3% from 54.2% for the year ended 31 December 2011 to 54.5% for the year ended 31 December 2012.

Gross profit increased by 5.9% from RM328.6 million for the six (6) months ended 30 June 2012 to RM347.9 million for the six (6) months ended 30 June 2013 mainly due to an increase in throughput for both Container and Conventional segments. However, gross profit margin (excluding Construction revenue) decreased slightly by 0.6% from 54.7% for the six (6) months ended 30 June 2012 to 54.1% for the six (6) months ended 30 June 2013.

(iv) Other income

Other income consists primarily of income from payments due from conventional customers unable to meet guaranteed conventional throughput commitments and gain on investments including money market instruments. Guaranteed conventional throughput commitments refer to the pre-agreed minimum throughput handled by conventional cargo customers pursuant to their rental/sub-lease agreements with Westports. For the years ended 31 December 2010, 2011 and 2012, we reported other income of RM39.9 million, RM14.6 million and RM13.7 million, respectively. For the six (6) months ended 30 June 2012 and 2013, we reported other income of RM7.8 million and RM36.0 million, respectively. Our other income declined from 2010 to 2011 primarily due to the reversal of an overprovision of profit sharing amount payable to PKA which was effected during the year ended 31 December 2010 and a decrease in income derived from guaranteed conventional throughput commitments, and increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to the reversal of overprovision in quit rent expenses of RM32.6 million recognised in the six (6) months ended 30 June 2013.

(v) Administrative expenses

Administrative expenses consist primarily of professional fees, including fees relating to management services under the MSA, travelling and entertainment expenses, provisions for doubtful debts and general administrative expenses. For the years ended 31 December 2010, 2011 and 2012, we paid a management fee of RM45.8 million, RM51.3 million and RM56.4 million, respectively, to PRSB under the MSA, while our total administrative expenses were 7.0%, 7.3% and 5.9% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, we paid a management fee of RM27.4 million and RM29.5 million, respectively, to PRSB under the MSA, while our administrative expenses were 6.0% and 6.4% of our total operational revenue, respectively. Our administrative expenses increased from 2010 to 2011 primarily due to higher professional fees related to consultancy fees incurred for the issuance of SMTN II and higher management fees related to the MSA with PRSB, incurred in 2011. From 2011 to 2012, our administrative expenses decreased due to a loss on disposal of fixed assets relating to the sale of quay cranes in 2011 compared to none in 2012 and a lower provision for doubtful debt in 2012 as compared to 2011. However, the decrease was offset by higher management fees due to PRSB in 2012 as compared to 2011. From the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013, our administrative expenses increased due to the increase in management fee due to PRSB during the period and IPO expenses incurred in the six (6) months ended 30 June 2013.

(vi) Other expenses

Other expenses consist mainly of general repair and maintenance, lease expense, manpower costs relating to management staff, staff-related costs, other depreciation cost, insurance, promotion and advertising cost and utilities. Our other expenses generally grew in line with operating revenue from 2010 to 2012. Our other expenses increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to higher IT related expenses, management staff and staff-related cost. For the years ended 31 December 2010, 2011 and 2012, other expenses were RM107.4 million, RM124.8 million and RM125.5 million, respectively, and accounted for 11.0%, 11.2% and 10.2% of our total operational revenue, respectively. For the six (6) months ended 30 June 2012 and 2013, other expenses were RM62.2 million and RM67.3 million, respectively, and accounted for 10.4% and 10.5% of our total operational revenue, respectively.

(vii) Operating profit and operating profit margin

The following table sets forth the operating profit and operating profit margin (both including and excluding Construction revenue) for the periods indicated:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	**2011**	**2012**	**2012**	**2013**
	(RM '000)	**(RM '000)**	**(RM '000)**	**(RM '000)**	**(RM '000)**
Gross profit[1]	563,792	604,617	668,773	328,594	347,902
Other income	39,944	14,591	13,734	7,763	35,982
Administrative expenses	(68,074)	(81,504)	(72,585)	(35,920)	(41,206)
Other expenses	(107,420)	(124,754)	(125,509)	(62,221)	(67,267)
Operating profit	428,242	412,950	484,413	238,216	275,411
Operating profit margin (including Construction revenue) (%)	42.9	29.8	32.5	37.8	36.7
Operating profit margin (excluding Construction revenue) (%)	43.9	37.0	39.5	39.7	42.8

Note:

(1) Gross profit including and excluding Construction revenue and Construction costs are equal.

Operating profit declined by 3.6% from RM428.2 million for the year ended 31 December 2010 to RM413.0 million for the year ended 31 December 2011 whilst operating profit margin (excluding Construction revenue) declined by 6.9% from 43.9% to 37.0% during the same period due to factors relating to the decline in gross profit margin as well as other factors that impacted other income and administrative expenses as detailed out in (iv) and (v) above.

Operating profit increased by 17.3% from RM413.0 million for the year ended 31 December 2011 to RM484.4 million for the year ended 31 December 2012. Operating profit margin (excluding Construction revenue) increased by 2.5% from 37.0% to 39.5% during the same period mainly due to factors relating to the increase in gross profit margin as well as lower administrative expenses incurred in 2012 as stated in (v) above.

Operating profit increased by 15.6% from RM238.2 million for the six (6) months ended 30 June 2012 to RM275.4 million for the six (6) months ended 30 June 2013. Operating profit margin (excluding Construction revenue) increased by 3.1% from 39.7% to 42.8% during the same period mainly due to an increase in other income as a result of the reversal of overprovision in quit rent expenses of RM32.6 million recognised in the six (6) months ended 30 June 2013.

(viii) Finance income

Finance income consists primarily of interest received on fixed deposits placed with financial institutions. Our finance income remained relatively stable from 2010 to 2012. Our finance income increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to an increase in interest income from fixed deposits. For the years ended 31 December 2010, 2011 and 2012, our finance income was RM7.2 million, RM7.0 million and RM7.1 million respectively. For the six (6) months ended 30 June 2012 and 2013, our finance income was RM3.7 million and RM4.8 million, respectively.

(ix) Finance costs

Finance costs consist primarily of profit payments pursuant to SMTN I and SMTN II, concession liability charges pursuant to the Lease Agreement, hire purchase and finance lease, bank overdraft and commitment fees. Our finance costs increased from 2010 to 2012 primarily due to the drawdown of RM450 million from SMTN II in 2011.

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	**2011**	**2012**	**2012**	**2013**
	(RM '000)	**(RM '000)**	**(RM '000)**	**(RM '000)**	**(RM '000)**
SMTN I and SMTN II	19,643	26,922	30,527	15,310	15,785
Hire purchase and finance lease	1,199	-	-	-	-
Bank overdraft and commitment fees	877	833	274	273	-
Finance costs – concession liability	28,126	27,118	26,058	13,029	12,471
Total finance costs	49,845	54,873	56,859	28,612	28,256

(x) Tax expense

Tax expense consists of current tax and deferred tax. For the years ended 31 December 2010, 2011 and 2012, our tax expense amounted to RM100.7 million, RM48.6 million and RM73.7 million, respectively. For the six (6) months ended 30 June 2012 and 2013, our tax expense amounted to RM51.4 million and RM53.5 million, respectively. Our tax expense decreased from 2010 to 2011 primarily due to a decrease in PBT and an increase in tax incentives, and the increase from 2011 to 2012 primarily due to a decrease in tax incentives recognised. Our tax expense increased from the six (6) months ended 30 June 2012 to the six (6) months ended 30 June 2013 due to an increase in PBT which was partially offset by an increase in tax incentives.

The following table sets forth the breakdown of our tax expense for the periods indicated:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
PBT	385,593	365,054	434,673	213,301	251,944
Tax at Malaysian tax rate of 25%	96,398	91,264	108,668	53,325	62,986
Non-deductible expenses	1,022	3,607	1,962	608	1,366
Tax incentive[(1)]	(18,860)	(47,026)	(35,519)	(1,147)	(11,115)
Recognition of previously unrecognised deferred tax assets	14,450	-	-	-	-
Sub-total	93,010	47,845	75,111	52,786	53,237
Under/(over) provision in prior years					
Current tax expense	28	(947)	(908)	(908)	-
Deferred tax expense	7,699	1,683	(490)	(490)	311
Tax expense	100,737	48,581	73,713	51,388	53,548

Note:

(1) Tax incentive relates to the Investment Tax Allowance.

12.2.5 Results of operations

(i) Six (6) months ended 30 June 2013 compared to six (6) months ended 30 June 2012

The following table sets forth certain items derived from our statements of profit or loss and other comprehensive income for the periods indicated:

	Unaudited		Audited		
	Six (6) months ended 30 June				
	2012		2013		Change
	(RM '000)	(% of Revenue)	(RM '000)	(% of Revenue)	(%)
Revenue	629,775	100.0	750,084	100.0	19.1
Cost of sales	(301,181)	(47.8)	(402,182)	(53.6)	33.5
Gross profit	328,594	52.2	347,902	46.4	5.9
Other income	7,763	1.2	35,982	4.8	363.5
Administrative expenses	(35,920)	(5.7)	(41,206)	(5.5)	14.7
Other expenses	(62,221)	(9.9)	(67,267)	(9.0)	8.1
Operating profit	238,216	37.8	275,411	36.7	15.6
Finance income	3,697	0.6	4,789	0.6	29.5
Finance costs	(28,612)	(4.5)	(28,256)	(3.8)	(1.3)
PBT	213,301	33.9	251,944	33.6	18.1
Tax expense	(51,388)	(8.2)	(53,548)	(7.2)	4.2
PAT	161,913	25.7	198,396	26.4	22.5
Fair value of available-for-sale financial assets	(1,643)	(0.3)	-	-	-
Total comprehensive income attributable to owners of the Company	160,270	25.4	198,396	26.4	23.8

(a) Revenue

Our total revenue increased by 19.1% from RM629.8 million for the six (6) months ended 30 June 2012 to RM750.1 million for the six (6) months ended 30 June 2013. Our total operational revenue increased by 7.0% from RM600.5 million for the six (6) months ended 30 June 2012 to RM642.8 million for the six (6) months ended 30 June 2013.

- **Container revenue**

  Our Container revenue increased by 5.3% from RM498.2 million for the six (6) months ended 30 June 2012 to RM524.4 million for the six (6) months ended 30 June 2013, in line with the increase in throughput from 3.4 million TEUs for the six (6) months ended 30 June 2012 to 3.6 million TEUs for the six (6) months ended 30 June 2013. The increase in throughput was primarily contributed by the increase in Import/Export throughput. The increase in revenue generated from our value-added services as a result of an increase in reefer tariff also contributed to the increase in our container revenue.

- **Conventional revenue**

  Our Conventional revenue increased by 17.4% from RM57.2 million for the six (6) months ended 30 June 2012 to RM67.2 million for the six (6) months ended 30 June 2013. The increase was primarily due to an increase in conventional cargo throughput, particularly break bulk cargo, dry bulk and cement cargo, as well as an overall increase in conventional cargo tariffs.

- **Marine revenue**

  Our Marine revenue increased from RM30.3 million for the six (6) months ended 30 June 2012 to RM35.4 million for the six (6) months ended 30 June 2013. This increase was primarily due to an increase in the total number of vessels calling at Westports from 3,989 for the six (6) months ended 30 June 2012 to 4,045 for the six (6) months ended 30 June 2013.

- **Rental revenue**

  Our Rental revenue increased by 6.7% from RM14.8 million for the six (6) months ended 30 June 2012 to RM15.8 million for the six (6) months ended 30 June 2013. The increase was primarily due to the addition of two (2) new customers in 2013.

- **Construction revenue**

  Our Construction revenue increased by 267.2% from RM29.2 million for the six (6) months ended 30 June 2012 to RM107.3 million for the six (6) months ended 30 June 2013. The increase was primarily due to an increase in construction activity in relation to the completion of CT6 Phase II and the commencement of construction of CT7 Phase I in the six (6) months ended 30 June 2013 as compared to the six (6) months ended 30 June 2012, which in turn increased the fair value of our asset.

(b) Cost of sales

Our total cost of sales increased by 33.5% from RM301.2 million for the six (6) months ended 30 June 2012 to RM402.2 million for the six (6) months ended 30 June 2013. Our total operational cost of sales increased by 8.4% from RM272.0 million for the six (6) months ended 30 June 2012 to RM294.9 million for the six (6) months ended 30 June 2013.

- **Container cost**

  Our Container cost increased by 14.6% from RM84.0 million for the six (6) months ended 30 June 2012 to RM96.3 million for the six (6) months ended 30 June 2013, primarily due to increased marketing expenses and increased maintenance and repair expenses.

- **Conventional cost**

  Our Conventional cost increased by 25.6% from RM7.6 million for the six (6) months ended 30 June 2012 to RM9.6 million for the six (6) months ended 30 June 2013. The increase was primarily due to an increase in handling of break bulk cargo which requires the hiring of additional break bulk equipment by our third party contractors.

- **Marine cost**

  Our Marine cost decreased by 2.2% from RM15.4 million for the six (6) months ended 30 June 2012 to RM15.1 million for the six (6) months ended 30 June 2013, due to a decrease in the number of tug boats hired from eight (8) tug boats for the six (6) months ended 30 June 2012 to seven (7) tug boats for the six (6) months ended 30 June 2013 as a more powerful tug boat was hired to replace two (2) smaller tug boats.

- **Fuel cost**

  Our fuel cost decreased by 5.1% from RM43.7 million for the six (6) months ended 30 June 2012 to RM41.4 million for the six (6) months ended 30 June 2013, primarily due to a decrease in average fuel price from U.S.$129.0 per barrel for the six (6) months ended 30 June 2012 to U.S.$122.5 per barrel for the six (6) months ended 30 June 2013.

- **Manpower cost**

  Our manpower cost increased by 5.6% from RM68.6 million for the six (6) months ended 30 June 2012 to RM72.5 million for the six (6) months ended 30 June 2013. The increase was primarily due to an increase in the number of employees for operations related to CT6 Phase II.

- **Depreciation and amortisation cost**

  Our depreciation and amortisation cost increased by 15.1% from RM43.3 million for the six (6) months ended 30 June 2012 to RM49.8 million for the six (6) months ended 30 June 2013 due to additional depreciation and amortisation for CT6 wharves and terminal operating equipment.

- **Electricity cost**

  Our electricity cost increased by 8.8% from RM9.3 million for the six (6) months ended 30 June 2012 to RM10.1 million for the six (6) months ended 30 June 2013. The increase was primarily due to an increase in our total use of electricity for quay cranes as a result of increased container throughput.

- **Construction cost**

  Our Construction cost increased by 267.2% from RM29.2 million for the six (6) months ended 30 June 2012 to RM107.3 million for the six (6) months ended 30 June 2013. Our Construction cost is equal to Construction revenue.

(c) Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 5.9% from RM328.6 million for the six (6) months ended 30 June 2012 to RM347.9 million for the six (6) months ended 30 June 2013. However, our gross profit margin (including Construction revenue) decreased from 52.2% for the six (6) months ended 30 June 2012 to 46.4% for the six (6) months ended 30 June 2013 and our gross profit margin (excluding Construction revenue) decreased slightly from 54.7% for the six (6) months ended 30 June 2012 to 54.1% for the six (6) months ended 30 June 2013.

(d) Other income

Our other income increased by 363.5% from RM7.8 million for the six (6) months ended 30 June 2012 to RM36.0 million for the six (6) months ended 30 June 2013. The increase was primarily attributable to the reversal of overprovision in quit rent expenses of RM32.6 million recognised in the six (6) months ended 30 June 2013.

(e) Administrative expenses

Our administrative expenses increased by 14.7% from RM35.9 million for the six (6) months ended 30 June 2012 to RM41.2 million for the six (6) months ended 30 June 2013, primarily due to the increase in management fee due to PRSB from RM27.4 million in the six (6) months ended 30 June 2012 to RM29.5 million in the six (6) months ended 30 June 2013 as well as IPO expenses of RM3.8 million incurred in the six (6) months ended 30 June 2013.

(f) Other expenses

Other expenses increased 8.1% from RM62.2 million for the six (6) months ended 30 June 2012 to RM67.3 million for the six (6) months ended 30 June 2013 due to higher IT related expenses, management staff and staff-related cost of RM2.1 million.

(g) Operating profit and operating profit margin

As a result of the foregoing, our operating profit increased by 15.6% from RM238.2 million for the six (6) months ended 30 June 2012 to RM275.4 million for the six (6) months ended 30 June 2013. Our operating profit margin (including Construction revenue) decreased from 37.8% for the six (6) months ended 30 June 2012 to 36.7% for the six (6) months ended 30 June 2013 and our operating profit margin (excluding Construction revenue) increased from 39.7% for the six (6) months ended 30 June 2012 to 42.8% for the six (6) months ended 30 June 2013.

(h) Finance income

Our finance income increased by 29.5% from RM3.7 million for the six (6) months ended 30 June 2012 to RM4.8 million for the six (6) months ended 30 June 2013, due to an increase in interest income from fixed deposits.

(i) Finance costs

Our finance costs decreased by 1.3% from RM28.6 million for the six (6) months ended 30 June 2012 to RM28.3 million for the six (6) months ended 30 June 2013.

(j) PBT and PBT margin

As a result of the foregoing, our PBT increased by 18.1% from RM213.3 million for the six (6) months ended 30 June 2012 to RM251.9 million for the six (6) months ended 30 June 2013. Our PBT margin (including Construction revenue) decreased slightly from 33.9% for the six (6) months ended 30 June 2012 to 33.6% for the six (6) months ended 30 June 2013 and our PBT margin (excluding Construction revenue) increased from 35.5% for the six (6) months ended 30 June 2012 to 39.2% for the six (6) months ended 30 June 2013.

(k) Tax expense

Our tax expense increased by 4.2% from RM51.4 million for the six (6) months ended 30 June 2012 to RM53.5 million for the six (6) months ended 30 June 2013, primarily due to an increase in PBT, offset by an increase in tax incentives recognised. As a result, our effective tax rate decreased from 24.1% for the six (6) months ended 30 June 2012 to 21.3% for the six (6) months ended 30 June 2013.

(l) PAT and PAT margin

As a result of the foregoing, our PAT increased by 22.5% from RM161.9 million for the six (6) months ended 30 June 2012 to RM198.4 million for the six (6) months ended 30 June 2013. Our PAT margin (including Construction revenue) increased from 25.7% for the six (6) months ended 30 June 2012 to 26.4% for the six (6) months ended 30 June 2013 and our PAT margin (excluding Construction revenue) increased from 27.0% for the six (6) months ended 30 June 2012 to 30.9% for the six (6) months ended 30 June 2013.

(m) Fair value of available-for-sale financial assets

We recorded a loss on fair value of available-for-sale financial assets of RM1.6 million for the six (6) months ended 30 June 2012. A total of RM2.4 million gain was realised and reclassified from other comprehensive income to profit or loss during the period upon disposal of the available-for-sale financial assets comprising RM0.8 million gain during the period and unrealised gain of RM1.6 million as at 31 December 2011. For the six (6) months ended 30 June 2013, a total of RM0.3 million gain arising during the period has been realised and reclassified from other comprehensive income to profit or loss during the period upon disposal of the available-for-sale financial assets.

(n) Total comprehensive income

As a result of the foregoing, our total comprehensive income increased by 23.8% from RM160.3 million for the six (6) months ended 30 June 2012 to RM198.4 million for the six (6) months ended 30 June 2013.

(ii) Year ended 31 December 2012 compared to year ended 31 December 2011

The following table sets forth certain items derived from our statements of profit or loss and other comprehensive income for the years indicated:

	Audited				
	Year ended 31 December				
	2011		2012		Change
	(RM '000)	(% of Revenue)	(RM '000)	(% of Revenue)	(%)
Revenue	1,387,374	100.0	1,492,262	100.0	7.6
Cost of sales	(782,757)	(56.4)	(823,489)	(55.2)	5.2
Gross profit	604,617	43.6	668,773	44.8	10.6
Other income	14,591	1.1	13,734	0.9	(5.9)
Administrative expenses	(81,504)	(5.9)	(72,585)	(4.9)	(10.9)
Other expenses	(124,754)	(9.0)	(125,509)	(8.4)	0.6
Operating profit	412,950	29.8	484,413	32.5	17.3
Finance income	6,977	0.5	7,119	0.5	2.0
Finance costs	(54,873)	(4.0)	(56,859)	(3.8)	3.6
PBT	365,054	26.3	434,673	29.1	19.1
Tax expense	(48,581)	(3.5)	(73,713)	(4.9)	51.7
PAT	316,473	22.8	360,960	24.2	14.1
Fair value of available-for-sale financial assets	1,643	0.1	(1,643)	(0.1)	(200.0)
Total comprehensive income attributable to owners of the Company	318,116	22.9	359,317	24.1	13.0

(a) Revenue

Our total revenue increased by 7.6% from RM1,387.4 million for the year ended 31 December 2011 to RM1,492.3 million for the year ended 31 December 2012. Our total operational revenue increased by 9.9% from RM1,115.3 million for the year ended 31 December 2011 to RM1,226.2 million for the year ended 31 December 2012, in line with the increase in cargo handled by Westports.

- **Container revenue**

  Our Container revenue increased by 10.3% from RM914.7 million for the year ended 31 December 2011 to RM1,009.2 million for the year ended 31 December 2012 in line with the increase in throughput from 6.4 million TEUs in 2011 to 6.9 million TEUs in 2012. The increase in throughput was mainly contributed by the increase in Import/Export throughput. The increase in revenue generated from our value-added services as a result of an increase in reefer tariff also contributed to the increase in our container revenue.

- **Conventional revenue**

  Our Conventional revenue increased by 17.0% from RM104.9 million for the year ended 31 December 2011 to RM122.7 million for the year ended 31 December 2012. The increase was primarily due to an increase in throughput particularly break bulk cargo and cement cargo, as well as an overall increase in conventional cargo tariffs.

- **Marine revenue**

  Our Marine revenue decreased slightly from RM64.6 million for the year ended 31 December 2011 to RM64.1 million for the year ended 31 December 2012. This decrease was primarily due to a decrease in the total number of vessels calling at Westports from 8,524 for the year ended 31 December 2011 to 8,145 for the year ended 31 December 2012, offset by an increase in the number of large vessels (vessels over 300 metres in length) calling at Westports, as larger vessels incur higher marine charges to use our port, coupled with an overall increase in marine tariffs.

- **Rental revenue**

  Our Rental revenue decreased by 3.7% from RM31.3 million for the year ended 31 December 2011 to RM30.1 million for the year ended 31 December 2012. The decrease was primarily due to the non-renewal of a contract by one of our tenants.

- **Construction revenue**

  Our Construction revenue decreased by 2.2% from RM272.0 million for the year ended 31 December 2011 to RM266.1 million for the year ended 31 December 2012. The decrease was primarily due to a decrease in construction activity in relation to land reclamation works in 2012 as compared to 2011, which in turn decreased the fair value of our asset.

(b) Cost of sales

Our total cost of sales increased by 5.2% from RM782.8 million for the year ended 31 December 2011 to RM823.5 million for the year ended 31 December 2012. Our total operational cost of sales increased by 9.1% from RM510.7 million for the year ended 31 December 2011 to RM557.4 million for the year ended 31 December 2012.

- **Container cost**

  Our Container cost increased by 9.7% from RM156.6 million for the year ended 31 December 2011 to RM171.8 million for the year ended 31 December 2012, in line with the increase in container throughput.

- **Conventional cost**

  Our Conventional cost increased by 33.4% from RM12.4 million for the year ended 31 December 2011 to RM16.5 million for the year ended 31 December 2012. The increase was primarily due to the full year recognition of new rates paid to third party contractors for handling break bulk cargo, which were increased in 2011, as well as an increase in conventional cargo throughput.

- **Marine cost**

  Our Marine cost increased slightly by 1.7% from RM30.3 million for the year ended 31 December 2011 to RM30.9 million for the year ended 31 December 2012, due to the full year impact of the increase in the daily charter hire rates of certain tug boats made in 2011.

- **Fuel cost**

  Our fuel cost increased by 8.1% from RM80.7 million for the year ended 31 December 2011 to RM87.3 million for the year ended 31 December 2012, in line with the increase in container throughput and was mainly consumed by tugboats, RTGs and prime movers.

- **Manpower cost**

  Our manpower cost increased by 13.5% from RM124.8 million for the year ended 31 December 2011 to RM141.7 million for the year ended 31 December 2012. The increase was primarily due to an increase in number of employees in anticipation of the commencement of operation of CT6 Phase II.

- **Depreciation and amortisation cost**

  Our depreciation and amortisation cost increased slightly by 0.3% from RM90.1 million for the year ended 31 December 2011 to RM90.3 million for the year ended 31 December 2012. The increase was due to the full year recognition of assets related to the completion of CT6 Phase I in 2012 and an increase in amortisation cost in relation to the increase in dredging expenses, offset by a change in the estimated useful lives of certain items of our property, plant and equipment.

- **Electricity cost**

  Our electricity cost increased by 20.3% from RM15.8 million for the year ended 31 December 2011 to RM19.0 million for the year ended 31 December 2012. The increase was primarily due to an increase in our total use of electricity as a result of increased container throughput.

- **Construction cost**

  Our Construction cost decreased by 2.2% from RM272.0 million for the year ended 31 December 2011 to RM266.1 million for the year ended 31 December 2012. Our Construction cost is equal to Construction revenue.

(c) **Gross profit and gross profit margin**

As a result of the foregoing, our gross profit increased by 10.6% from RM604.6 million for the year ended 31 December 2011 to RM668.8 million for the year ended 31 December 2012. Our gross profit margin (including Construction revenue) increased from 43.6% for the year ended 31 December 2011 to 44.8% for the year ended 31 December 2012 and our gross profit margin (excluding Construction revenue) increased from 54.2% for the year ended 31 December 2011 to 54.5% for the year ended 31 December 2012.

(d) **Other income**

Our other income decreased by 5.9% from RM14.6 million for the year ended 31 December 2011 to RM13.7 million for the year ended 31 December 2012. The decrease was attributable to a decrease in income derived from guaranteed conventional throughput commitments as more throughput commitments were met in 2012.

(e) **Administrative expenses**

Our administrative expenses decreased by 10.9% from RM81.5 million for the year ended 31 December 2011 to RM72.6 million for the year ended 31 December 2012, primarily due to a loss on disposal of fixed assets of RM6.7 million relating to the sale of quay cranes in 2011 compared to none in 2012 and a provision of doubtful debts of RM3.9 million in 2011 compared to RM0.3 million in 2012, offset by an increase in management fees due to PRSB of RM51.3 million in 2011 to RM56.4 million in 2012.

(f) **Other expenses**

Other expenses remained relatively stable, increasing slightly from RM124.8 million for the year ended 31 December 2011 to RM125.5 million for the year ended 31 December 2012 with the change primarily attributable to an increase in utilities and insurance expenses, offset by a decrease in staff-related cost and depreciation expenses.

(g) **Operating profit and operating profit margin**

As a result of the foregoing, our operating profit increased by 17.3% from RM413.0 million for the year ended 31 December 2011 compared to RM484.4 million for the year ended 31 December 2012. Our operating profit margin (including Construction revenue) increased from 29.8% for the year ended 31 December 2011 to 32.5% for the year ended 31 December 2012 and our operating profit margin (excluding Construction revenue) increased from 37.0% for the year ended 31 December 2011 to 39.5% for the year ended 31 December 2012.

(h) Finance income

Our finance income increased by 2.0% from RM7.0 million for the year ended 31 December 2011 to RM7.1 million for the year ended 31 December 2012, due to an increase in other interest income, offset by a decrease in interest income from fixed deposits.

(i) Finance costs

Our finance costs increased by 3.6% from RM54.9 million for the year ended 31 December 2011 to RM56.9 million for the year ended 31 December 2012, due to the full year recognition of profit payments for SMTN II, in which RM450 million was drawn down on 3 May 2011.

(j) PBT and PBT margin

As a result of the foregoing, our PBT increased by 19.1% from RM365.1 million for the year ended 31 December 2011 to RM434.7 million for the year ended 31 December 2012. Our PBT margin (including Construction revenue) increased from 26.3% for the year ended 31 December 2011 to 29.1% for the year ended 31 December 2012 and our PBT margin (excluding Construction revenue) increased from 32.7% for the year ended 31 December 2011 to 35.4% for the year ended 31 December 2012.

(k) Tax expense

Our tax expense increased by 51.7% from RM48.6 million for the year ended 31 December 2011 to RM73.7 million for the year ended 31 December 2012, primarily due to a decrease in tax incentives recognised. As a result, our effective tax rate increased from 13.3% for the year ended 31 December 2011 to 17.0% for the year ended 31 December 2012.

(l) PAT and PAT margin

As a result of the foregoing, our PAT increased by 14.1% from RM316.5 million for the year ended 31 December 2011 to RM361.0 million for the year ended 31 December 2012. Our PAT margin (including Construction revenue) increased from 22.8% for the year ended 31 December 2011 to 24.2% for the year ended 31 December 2012 and our PAT margin (excluding Construction revenue) increased from 28.4% for the year ended 31 December 2011 to 29.4% for the year ended 31 December 2012.

(m) Fair value of available-for-sale financial assets

We recorded a gain on fair value of available-for-sale financial assets of RM3.4 million for the year ended 31 December 2011. From this gain, RM1.8 million was realised and reclassified from other comprehensive income to profit or loss upon disposal of the available-for-sale financial assets. For the year ended 31 December 2012, we recorded a gain on fair value of available-for-sale financial assets of RM1.4 million. A total of RM3.0 million gain was realised and reclassified from other comprehensive income to profit or loss during the year upon disposal of the available-for-sale financial assets comprising RM1.4 million gain during the year and the unrealised gain of RM1.6 million as at 31 December 2011.

(n) Total comprehensive income

As a result of the foregoing, our total comprehensive income increased by 13.0% from RM318.1 million for the year ended 31 December 2011 to RM359.3 million for the year ended 31 December 2012.

(iii) Year ended 31 December 2011 compared to year ended 31 December 2010

The following table sets forth certain items derived from our statements of profit or loss and other comprehensive income for the years indicated:

	Audited				
	Year ended 31 December				
	2010		2011		Change
	(RM '000)	(% of Revenue)	(RM '000)	(% of Revenue)	(%)
Revenue	998,548	100.0	1,387,374	100.0	38.9
Cost of sales	(434,756)	(43.5)	(782,757)	(56.4)	80.0
Gross profit	563,792	56.5	604,617	43.6	7.2
Other income	39,944	4.0	14,591	1.1	(63.5)
Administrative expenses	(68,074)	(6.8)	(81,504)	(5.9)	19.7
Other expenses	(107,420)	(10.8)	(124,754)	(9.0)	16.1
Operating profit	428,242	42.9	412,950	29.8	(3.6)
Finance income	7,196	0.7	6,977	0.5	(3.0)
Finance costs	(49,845)	(5.0)	(54,873)	(4.0)	10.1
PBT	385,593	38.6	365,054	26.3	(5.3)
Tax expense	(100,737)	(10.1)	(48,581)	(3.5)	(51.8)
PAT	284,856	28.5	316,473	22.8	11.1
Fair value of available-for-sale financial assets	-	-	1,643	0.1	-
Total comprehensive income attributable to owners of the Company	284,856	28.5	318,116	22.9	11.7

(a) **Revenue**

Our total revenue increased by 38.9% from RM998.5 million for the year ended 31 December 2010 to RM1,387.4 million for the year ended 31 December 2011, primarily due to an increase in Construction revenue. Our total operational revenue increased by 14.4% from RM975.0 million for the year ended 31 December 2010 to RM1,115.3 million for the year ended 31 December 2011, primarily due to an increase in container and conventional throughput.

- **Container revenue**

  Our Container revenue increased by 15.9% from RM789.0 million for the year ended 31 December 2010 to RM914.7 million for the year ended 31 December 2011. The increase was primarily due to an increase in throughput from 5.6 million TEUs for the year ended 31 December 2010 to 6.4 million TEUs for the year ended 31 December 2011.

- **Conventional revenue**

  Our Conventional revenue increased by 8.3% from RM96.8 million for the year ended 31 December 2010 to RM104.9 million for the year ended 31 December 2011. The increase was primarily due to an increase in throughput from 8.9 million tonnes for the year ended 31 December 2010 to 9.6 million tonnes for the year ended 31 December 2011.

- **Marine revenue**

  Our Marine revenue increased by 13.2% from RM57.0 million for the year ended 31 December 2010 to RM64.6 million for the year ended 31 December 2011. The increase was primarily due to an increase in the total number of vessels calling at Westports coupled with an increase in the number of large vessels (vessels over 300 metres in length) calling at our port, as larger vessels incur higher marine charges to use our port. The total number of vessels calling increased from 7,986 for the year ended 31 December 2010 to 8,524 for the year ended 31 December 2011.

- **Rental revenue**

  Our Rental revenue decreased by 2.9% from RM32.2 million for the year ended 31 December 2010 to RM31.3 million for the year ended 31 December 2011. The decline was primarily due to the non-renewal of a contract by one of our tenants.

- **Construction revenue**

  Our Construction revenue increased from RM23.6 million for the year ended 31 December 2010 to RM272.0 million for the year ended 31 December 2011. The increase was primarily due to an increase in construction activity in relation to CT6 and land reclamation works in 2011 as compared to 2010, which in turn increased the fair value of our asset.

(b) Cost of sales

Our cost of sales increased by 80% from RM434.8 million for the year ended 31 December 2010 to RM782.8 million for the year ended 31 December 2011. Our total operational cost of sales increased by 24.2% from RM411.2 million for the year ended 31 December 2010 to RM510.7 million for the year ended 31 December 2011.

- **Container cost**

  Our Container cost increased by 33.5% from RM117.3 million for the year ended 31 December 2010 to RM156.6 million for the year ended 31 December 2011. The increase was primarily due to an increase in marketing expenses to bring more container volume to Westports in the aftermath of the global economic downturn in 2009.

- **Conventional cost**

  Our Conventional cost increased by 17.9% from RM10.5 million for the year ended 31 December 2010 to RM12.4 million for the year ended 31 December 2011. The increase was primarily due to an increase in rates paid to third party contractors for handling break bulk cargo as well as an increase in conventional cargo throughput.

- **Marine cost**

  Our Marine cost increased by 23.4% from RM24.6 million for the year ended 31 December 2010 to RM30.3 million for the year ended 31 December 2011, primarily due to an increase in the number of tug boats hired in 2011 from six (6) tug boats in 2010 to eight (8) tug boats in 2011 as well as an increase in the daily charter hire rates for certain tug boats.

- **Fuel cost**

  Our fuel cost increased by 55.6% from RM51.9 million for the year ended 31 December 2010 to RM80.7 million for the year ended 31 December 2011. The increase was primarily due to the increase in the price of fuel by 40.0% from an average of US$90.05 per barrel in 2010 to an average of US$126.06 per barrel in 2011, as well as an increase in container throughput.

- **Manpower cost**

  Our manpower cost increased by 23.6% from RM100.9 million for the year ended 31 December 2010 to RM124.8 million for the year ended 31 December 2011. The increase was primarily due to an increase in the number of employees in anticipation of commencement of operation of CT6 Phase I as well as the implementation of minimum wage adjustments for our operational employees.

- **Depreciation and amortisation cost**

  Our depreciation and amortisation cost decreased by 2.8% from RM92.7 million for the year ended 31 December 2010 to RM90.1 million for the year ended 31 December 2011. The decrease was primarily due to a decrease in amortisation cost in relation to the decrease in dredging expenses, offset by an increase in property, plant and equipment as a result of the completion of CT6 Phase I.

- **Electricity cost**

  Our electricity cost increased by 19.0% from RM13.2 million for the year ended 31 December 2010 to RM15.8 million for the year ended 31 December 2011, in line with the increase in container throughput.

- **Construction cost**

  Our Construction cost increased from RM23.6 million for the year ended 31 December 2010 to RM272.0 million for the year ended 31 December 2011. Our Construction cost is equal to Construction revenue.

(c) Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 7.2% from RM563.8 million for the year ended 31 December 2010 to RM604.6 million for the year ended 31 December 2011. Our gross profit margin (including Construction revenue) decreased from 56.5% for the year ended 31 December 2010 to 43.6% for the year ended 31 December 2011 and our gross profit margin (excluding Construction revenue) decreased from 57.8% for the year ended 31 December 2010 to 54.2% for the year ended 31 December 2011.

(d) Other income

Our other income declined by 63.5% from RM39.9 million for the year ended 31 December 2010 to RM14.6 million for the year ended 31 December 2011. The decline was primarily attributable to a reversal on overprovision of profit sharing amount payable to PKA pursuant to the second supplemental agreement dated 15 January 2010, which forms part of the Privatisation Agreement, and was effected during the year ended 31 December 2010.

(e) Administrative expenses

Our administrative expenses increased by 19.7% from RM68.1 million for the year ended 31 December 2010 to RM81.5 million for the year ended 31 December 2011, primarily due to higher professional fees related to consultancy fees for the issuance of SMTN II and higher management fees related to the MSA with PRSB.

(f) Other expenses

Other expenses increased by 16.1% from RM107.4 million for the year ended 31 December 2010 to RM124.8 million for the year ended 31 December 2011, primarily due to an increase in IT related expenses, manpower cost relating to management staff as well as staff-related cost.

(g) Operating profit and operating profit margin

As a result of the foregoing, our operating profit decreased by 3.6% from RM428.2 million for the year ended 31 December 2010 compared to RM413.0 million for the year ended 31 December 2011. Our operating profit margin (including Construction revenue) decreased from 42.9% for the year ended 31 December 2010 to 29.8% for the year ended 31 December 2011 and our operating profit margin (excluding Construction revenue) decreased from 43.9% for the year ended 31 December 2010 to 37.0% for the year ended 31 December 2011.

(h) Finance income

Our finance income decreased by 3.0% from RM7.2 million for the year ended 31 December 2010 to RM7.0 million for the year ended 31 December 2011, due to a decrease in fixed deposit interest income, offset by an increase in staff loan interest income.

(i) Finance costs

Our finance costs increased by 10.1% from RM49.8 million for the year ended 31 December 2010 to RM54.9 million for the year ended 31 December 2011, primarily due to the increase in finance costs related to SMTN I from RM19.6 million for the year ended 31 December 2010 to RM26.9 million which is related to both SMTN I and SMTN II for the year ended 31 December 2011. We made an initial drawdown of SMTN II in May 2011 in the amount of RM450 million which was partially offset, however, by redemption of SMTN I in the amount of RM100 million in March 2011. The increase in finance costs was also partially offset by a reduction in finance costs related to the hire purchase and finance lease which was fully repaid in the year ended 31 December 2010.

(j) PBT and PBT margin

As a result of the foregoing, our PBT decreased by 5.3% from RM385.6 million for the year ended 31 December 2010 to RM365.1 million for the year ended 31 December 2011. Our PBT margin (including Construction revenue) decreased from 38.6% for the year ended 31 December 2010 to 26.3% for the year ended 31 December 2011 and our PBT margin (excluding Construction revenue) decreased from 39.5% for the year ended 31 December 2010 to 32.7% for the year ended 31 December 2011.

(k) Tax expense

Our tax expense decreased by 51.8% from RM100.7 million for the year ended 31 December 2010 to RM48.6 million for the year ended 31 December 2011, due to a decrease in PBT and an increase in tax incentives from RM18.9 million for the year ended 31 December 2010 to RM47.0 million for the year ended 31 December 2011. As a result, our effective tax rate decreased from 26.1% for the year ended 31 December 2010 to 13.3% for the year ended 31 December 2011.

(l) PAT and PAT margin

As a result of the foregoing, our PAT increased by 11.1% from RM284.9 million for the year ended 31 December 2010 to RM316.5 million for the year ended 31 December 2011. Our PAT margin (including Construction revenue) decreased from 28.5% for the year ended 31 December 2010 to 22.8% for the year ended 31 December 2011 and our PAT margin (excluding Construction revenue) decreased from 29.2% for the year ended 31 December 2010 to 28.4% for the year ended 31 December 2011.

(m) Fair value of available-for-sale financial assets

We did not recognise any other comprehensive income for the year ended 31 December 2010. We recorded a gain on fair value of available-for-sale financial assets of RM3.4 million for the year ended 31 December 2011. From this gain, RM1.8 million was realised and reclassified from other comprehensive income to profit or loss upon disposal of the available-for-sale financial assets.

(n) Total comprehensive income

As a result of the foregoing, our total comprehensive income increased by 11.7% from RM284.9 million for the year ended 31 December 2010 to RM318.1 million for the year ended 31 December 2011.

12.2.6 Liquidity and capital resources

(i) Working capital

Our primary sources of funds are derived from income generated from operating activities and issuance of sukuk while our primary uses of funds are for capital expenditures, working capital and dividend payments. We believe these sources of funds will continue to be adequate to meet currently anticipated funding requirements for our normal business operations. Our financial policy seeks to maintain sufficient financial resources and capabilities to finance business growth, reward shareholders and ensure financial flexibility while maintaining strong creditworthiness and liquidity.

As of 30 June 2013, we had unused sources of funds amounting to RM2,397.7 million, comprising cash and cash equivalents of RM212.3 million, a revolving credit facility of RM85.4 million and the unutilised portion of our SMTN Programmes of RM2,100.0 million.

These facilities provide us with access to immediately available funds to provide a demonstrated commitment to support our operations and to be accessible for general corporate purposes.

After taking into consideration our existing level of cash and cash equivalents, the available credit lines and the expected cash flow from operations, our Board is of the opinion that we will have adequate working capital for a period of 12 months from the date of this Prospectus.

(ii) Cash flows

The following table sets forth a summary of our cash flows for the years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2012 and 30 June 2013:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Net cash generated from operating activities	480,883	491,271	630,939	285,854	220,406
Net cash used in investing activities	(61,834)	(487,837)	(267,223)	(115,298)	(125,900)
Net cash used in financing activities	(230,701)	(35,384)	(389,906)	(243,223)	(214,224)
Net increase/(decrease) in cash and cash equivalents	188,348	(31,950)	(26,190)	(72,667)	(119,718)
Cash and cash equivalents at beginning of the year	174,726	363,074	331,124	331,124	304,934
Cash and cash equivalents at end of the year/period	363,074	331,124	304,934	258,457	185,216

All of our cash and cash equivalents are held in RM. Our Board is of the opinion that there are no legal, financial or economic restrictions on the ability of our subsidiary to transfer funds to us in the form of cash dividends subject to availability of distributable reserves and/or loans or advances and compliance with financial covenants in order to meet our cash obligations. Please refer to Section 5.3.5 of this Prospectus for factors which may affect or restrict our ability to pay dividends and for further information on the significant covenants in respect of our borrowings, see note 10 of the Accountants' Report included in Section 13 of this Prospectus.

(a) Six (6) months ended 30 June 2013

As of 30 June 2013, we had cash and cash equivalents of RM185.2 million, a decrease of RM119.7 million, or 39.3%, from RM304.9 million as of 31 December 2012.

Our net cash generated from operating activities decreased by RM65.4 million, or 22.9%, to RM220.4 million for the six (6) months ended 30 June 2013 compared to RM285.9 million for the six (6) months ended 30 June 2012, primarily due to the increase in payments to tax authorities as well as creditors mainly in relation to the construction of CT6.

Our net cash used in investing activities increased from RM115.3 million for the six (6) months ended 30 June 2012 to RM125.9 million for the six (6) months ended 30 June 2013. This change was primarily attributable to an increase in purchases of terminal operating equipment from RM42.4 million for the six (6) months ended 30 June 2012 to RM90.6 million for the six (6) months ended 30 June 2013 and an increase in concession assets from RM77.5 million for the six (6) months ended 30 June 2012 to RM109.8 million for the six (6) months ended 30 June 2013. However, it was offset by the cost reimbursement from the GOM of RM70.0 million for the six (6) months ended 30 June 2013 arising from the Facilitation Fund Agreement.

Our net cash used in financing activities decreased from RM243.2 million for the six (6) months ended 30 June 2012 to RM214.2 million for the six (6) months ended 30 June 2013. This decrease was primarily due to redemption of SMTN I of RM100.0 million for the six (6) months ended 30 June 2012 as compared to proceeds from borrowings net of redemption from borrowings of RM5.0 million for the six (6) months ended 30 June 2013, offset by an increase in dividends paid of RM71.1 million for the period.

(b) Year ended 31 December 2012

As of 31 December 2012, we had cash and cash equivalents of RM304.9 million, a decrease of RM26.2 million, or 7.9%, from RM331.1 million as of 31 December 2011.

Our net cash generated from operating activities increased by RM139.7 million, or 28.4%, to RM630.9 million in 2012 compared to RM491.3 million in 2011, primarily due to an increase in our collections from customers of RM132.7 million and a decrease in income taxes paid of RM21.2 million, offset by an increase in our payments relating to operating expenses of RM14.6 million.

Our net cash used in investing activities decreased from RM487.8 million in 2011 to RM267.2 million in 2012. This change was primarily attributable to a decrease in property, plant and equipment purchases from RM207.1 million in 2011 to RM161.3 million in 2012, primarily related to terminal operating equipment, and a concession asset cost reimbursement from the GOM of RM170.9 million in 2012 arising from the Facilitation Fund Agreement.

Our net cash used in financing activities increased from RM35.4 million generated in 2011 to RM389.9 million in 2012. This increase was primarily attributable to RM450.0 million of proceeds received from issuance of SMTN II in 2011, offset by a decrease in dividends paid of RM100.4 million in 2011.

(c) Year ended 31 December 2011

As of 31 December 2011, we had cash and cash equivalents of RM331.1 million, a decrease of RM32.0 million, or 8.8%, from RM363.1 million as of 31 December 2010.

Our net cash generated from operating activities increased by RM10.4 million, or 2.2%, to RM491.3 million in 2011 compared to RM480.9 million in 2010, primarily due to an increase in our collections from customers of RM116.3 million, offset by an increase in income taxes paid of RM14.5 million and an increase in our payments relating to operating expenses of RM89.6 million.

Our net cash used in investing activities increased from RM61.8 million in 2010 to RM487.8 million in 2011. This change was primarily attributable to an increase in property, plant and equipment purchases from RM46.3 million in 2010 to RM207.1 million in 2011, primarily related to terminal operating equipment, as well as an increase in concession assets from RM22.6 million in 2010 to RM291.8 million in 2011.

Our net cash used in financing activities decreased from RM230.7 million in 2010 to RM35.4 million in 2011. This change was primarily attributable to RM450.0 million of proceeds received from issuance of SMTN II in 2011, offset by a RM100.0 million repayment of SMTN I in 2011 and an increase in dividend payments from RM131.9 million in 2010 to RM300.0 million in 2011.

(iii) Borrowings

Our total outstanding borrowings, all of which are subject to profit payments and secured, as of 30 June 2013 are set forth below:

	Audited	
	Profit rate	**As of 30 June 2013**
		(RM '000)
Long-term borrowings		
SMTN II	4.43%-5.38%	700,000
Total borrowings		700,000

On 7 March 2008, we made a drawdown of RM445 million from SMTN I. This programme is available for a period of 15 years from the date of first issuance and will be valid unless it has been redeemed, cancelled or repurchased by WMSB. The proceeds received under SMTN I shall essentially be used to, among others, repay existing borrowings, purchase machinery and equipment, finance the construction of new container terminals and for working capital.

SMTN I is secured by way of a fixed charge created on 22 February 2008 over all of WMSB's present and future rights, title, benefits and interests in and to all moneys now and from time to time standing to the credit of the disbursement account, sinking fund account and profit service reserve account together with any profit from time to time accruing in respect of such moneys and permitted investments and the proceeds of any sale of the permitted investments. SMTN II has been implemented on a clean basis and certain pledged deposits are maintained in the finance service reserve account.

There are several circumstances which may result in all amounts under SMTN I being declared due and payable prior to its maturity. These include the following:

- WMSB's failure to pay any amount due and payable on the respective due dates;
- the convening of a meeting of WMSB's creditors or enters into an arrangement with its creditors;
- the revocation of any material licence, authorisation, approval which is required by WMSB to carry on its business;
- material changes to the nature or scope of WMSB's business or if WMSB suspends or ceases to carry on a substantial part of its business; or
- the seizure, expropriation, compulsory acquisition of the undertakings, assets, rights or revenues of, or shares or other ownership interests in WMSB by the GOM or any person acting under the authority of the GOM which in the opinion of the trustee to SMTN I may have a material adverse effect on WMSB.

Further to that, the terms of SMTN I require WMSB to maintain, among others, a profit service reserve account, a sinking fund account, a financial service cover ratio of not less than 1.25 times and a finance to equity ratio of not more than 2.00 times, during the entire tenure of SMTN I and provides that WMSB shall not declare any dividends if:

- there is a breach of the financial service cover ratio, the finance to equity ratio or the existence of an event of default;
- the declaration would amount to a breach of the said ratios or cause the occurrence of an event of default; or
- the funds in the sinking fund account and/or the profit service reserve account do not meet the minimum required balance.

On 3 May 2011, we made a drawdown of RM450 million from SMTN II. On 7 March 2013, we redeemed the entire amount outstanding under SMTN I of RM245 million using internally generated funds. The SMTN II is available for a period of 20 years from the date of first issuance and will be valid unless it has been redeemed, cancelled or repurchased by WMSB. The proceeds received under SMTN II shall essentially be used to, among others, refinance SMTN I and to finance WMSB's capital expenditure, assets acquisition or other general working capital requirements. Save for these conditions, the other terms as reflected under SMTN I are also applicable under SMTN II.

We have not defaulted on profit payments or principal payments on any of our borrowings for the years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2013.

As of 30 June 2013, we were not in breach of any terms and conditions or covenants associated with our borrowings which can materially and adversely affect our financial position and results or business operations.

12.2.7 Selected information on statements of financial position

(i) Trade receivables

Trade receivables primarily relate to the rendering of port and related services to our customers. For the years ended 31 December 2010, 2011 and 2012 and for the six (6) months ended 30 June 2013, our trade receivables were RM200.6 million, RM211.1 million, RM 201.3 million and RM209.5 million, respectively. Our collection of payments from trade customers has improved, illustrated by a steady level of trade receivables despite recognising revenue growth over the periods and a substantial portion of our trade receivables are due within 60 days.

The following table sets forth an aging analysis of our trade receivables as of 30 June 2013 and collections received from trade debtors as at the LPD:

	Audited		
	As of 30 June 2013	% of total trade receivables	Collections as at the LPD
	(RM '000)		(RM '000)
Current[(1)]	135,860	64.9	84,333
1 to 30 days past due	52,712	25.2	51,753
31 to 120 days past due	17,880	8.5	17,735
More than 120 days past due	3,010	1.4	-
Total trade receivables	209,462	100.0	153,821

Note:

(1) The current portion of our trade receivables consists of trade credit given to our customers of up to 60 days from the invoice date.

We provide trade credit to our customers for periods of up to 60 days from the invoice date, depending on several factors, including, among others, the customer's financial position, volume and track record. As of 30 June 2013, 64.9% of our trade receivables outstanding were within the credit period. We have made impairments on our trade receivables of RM4.5 million and efforts are being made to recover these balances. As at the LPD, approximately 73.4% of our total trade receivables as of 30 June 2013 have been fully settled.

(ii) Trade payables

Trade payables primarily consist of payables relating to our cost of sales. Trade payables decreased from RM71.9 million (which includes the non-current portion of the trade payables amounting to RM13.0 million), as of 31 December 2010 to RM49.8 million as of 31 December 2011 primarily due to an amount owed to a contractor under a deferred payment basis in relation to the construction of a terminal, of which a substantial amount was settled in 2011. Trade payables increased from RM49.8 million as of 31 December 2011 to RM97.9 million as of 31 December 2012 primarily due to an amount owed to contractors for the construction of CT6 and land reclamation works. Trade payables decreased from RM97.9 million as of 31 December 2012 to RM63.8 million as of 30 June 2013 primarily due to payment to contractors for the construction of CT6.

The following table sets forth an aging analysis of our trade payables as of 30 June 2013 and payments made to trade creditors as at the LPD:

	Audited		
	As of 30 June 2013	% of total trade payables	Payments paid as at the LPD
	(RM '000)		(RM '000)
Current[(1)(2)]	59,729	93.6	57,162
1 to 30 days past due	4,282	6.7	3,304
31 to 120 days past due	-	-	-
More than 120 days past due	-	-	-
Total trade payables	63,793[(3)]	100.0[(3)]	60,466

Notes:

(1) The current portion of our trade payables consists of trade credit given to us by our suppliers of up to 60 days from the invoice date.

(2) The current portion of our trade payables excluding Construction payables was RM28.0 million and our total trade payables excluding Construction payables was RM32.1 million as of 30 June 2013. None of our Construction payables exceeded the credit period of 60 days as of 30 June 2013.

(3) Includes RM0.2 million of advances to our trade creditors for the purchasing of fuel which would eventually be netted off against future billings by our trade creditors.

We generally receive invoices from suppliers at the time of delivery of the fuel, services and equipment we purchase and are typically given up to 60 days of credit. As of 30 June 2013, 93.6% of our trade payables due were within the credit period of 60 days. As at the LPD, approximately 94.8% of our total trade payables as of 30 June 2013 have been fully paid.

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12.2.8 Key financial ratios

Our key financial ratios are based on our consolidated financial information for the years/periods indicated and are as follows:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
Trade receivables turnover days [(1)] ...	75	69	60	63	59
Trade payables turnover days [(2)]	24	33	23	36	20
Current ratio (times) [(3)]	1.48	1.44	0.95	0.94	1.53
Gearing ratio (times) [(4)]	0.05	0.33	0.25	0.30	0.32

Notes:

(1) Based on trade receivables multiplied by 365 days/181 days (six (6) months period) over total operational revenue, excluding Construction revenue.

(2) Based on trade payables, excluding Construction payables, multiplied by 365 days/181 days (six (6) months period) over total operational cost of sales, excluding Construction costs.

(3) Based on total current assets over total current liabilities, excluding Construction payables.

(4) Based on total borrowings less cash and cash equivalents and investment in money market funds over total equity.

(i) Trade receivables turnover days

Trade receivables turnover days decreased from 75 days for the year ended 31 December 2010 to 69 days for the year ended 31 December 2011 and further decreased to 60 days for the year ended 31 December 2012 due to improved collection from customers throughout each period. Trade receivables turnover days decreased from 63 days for the six (6) months ended 30 June 2012 to 59 days for six (6) months ended 30 June 2013 due to improved collection from customers.

(ii) Trade payables turnover days

Trade payables turnover days increased from 24 days for the year ended 31 December 2010 to 33 days for the year ended 31 December 2011 as liquidity available in 2011 was managed to meet certain capital expenditure commitment and decreased to 23 days for the year ended 31 December 2012 due to faster payments to creditors and suppliers as a result of additional liquidity from improved collection from customers. Trade payables turnover days decreased from 36 days for the six (6) months ended 30 June 2012 to 20 days for the six (6) months ended 30 June 2013 due to an improvement in timing for payments to the creditors and suppliers as a result of improved collection from customers.

(iii) Current ratio

Our current ratio decreased slightly from 1.48 times as of 31 December 2010 to 1.44 times as of 31 December 2011. Our current ratio decreased from 1.44 times as of 31 December 2011 to 0.95 times as of 31 December 2012 primarily due to an increase in the current liabilities due to SMTN I and an increase in trade and other payables. Our current ratio improved from 0.94 times as of 30 June 2012 to 1.53 times as of 30 June 2013 due to the full redemption of the outstanding amount of SMTN I.

(iv) Gearing ratio

Our gearing ratio increased from 0.05 times as of 31 December 2010 to 0.33 times as of 31 December 2011 primarily due to a RM450.0 million drawdown of SMTN II in 2011. However, our gearing ratio decreased from 0.33 times as of 31 December 2011 to 0.25 times as of 31 December 2012 primarily due to the redemption of SMTN I of RM100.0 million and an increase in our total equity. Our gearing ratio increased slightly from 0.30 times as of 30 June 2012 to 0.32 times as of 30 June 2013 primarily due to the reduction in cash balance.

12.2.9 Capital expenditures

For the year ended 31 December 2012, we incurred capital expenditures of RM449.8 million compared to RM497.5 million for the year ended 31 December 2011. These capital expenditures were primarily related to land reclamation works, construction of CT6 Phase II, purchase of quay cranes and other operating equipment and expansion of one of our dry bulk terminals. For the six (6) months ended 30 June 2013, we incurred capital expenditures of RM200.4 million related to the construction of CT6 Phase II and CT7, the purchase of terminal operating equipment and land reclamation works.

WMSB also received a government grant provided through UKAS to finance most of the land reclamation works for CT6, CT7, CT8 and CT9 (save for the cap on the disbursement amount as disclosed in Section 15.6 of this Prospectus) which cost approximately RM324.0 million. As at the LPD, the amount of grant yet to be released is RM77.1 million.

We have historically financed our capital expenditure requirements primarily through cash from operations, SMTN I and SMTN II and a government grant. The table below summarises our capital expenditures for the years/periods indicated:

	Audited			Unaudited	Audited
	Year ended 31 December			Six (6) months ended 30 June	
	2010	2011	2012	2012	2013
	(RM '000)	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Land reclamation works[(1)].....	16,836	152,203	98,608	53,589	24,071
Construction of CT6 and other infrastructure works..	4,761	123,845	184,934	22,039	83,149
Purchase of terminal operating equipment	15,466	180,499	141,788	31,706	78,519
IT	5,328	2,017	4,102	2,251	19
Maintenance and civil works................................	25,236	34, 321	18,922	9,562	14,068
Others..................................	1,267	4,593	1,448	725	577
Total capital expenditure.......	68,894	497,478	449,802	119,872	200,403

Note:

(1) These amounts are reimbursable under the grant provided by the GOM under its Public Private Partnership initiative.

We anticipate that our capital expenditures in 2013 and 2014 will be approximately RM658.0 million and RM397.9 million, respectively, which will primarily relate to the construction of CT7, the purchase of quay cranes and other terminal operating equipment, land reclamation and maintenance works.

We intend to fund Westports' expansion through cash generated from operations and proceeds from the issuance of sukuk.

12.2.10 Material divestitures

There have not been any material divestitures undertaken by us for the years ended 31 December 2010, 2011 and 2012 nor in the current year up to the LPD.

12.2.11 Capital commitments and contractual obligations

(i) Capital commitments

As of 30 June 2013, we had a total of RM720.5 million of capital expenditure commitments for property, plant and equipment and concession assets, with RM689.1 million in authorised and contracted for capital commitments and RM31.4 million in authorised but not contracted for capital commitments.

(ii) Contractual obligations

As of 30 June 2013, we had total contractual obligations which amounted to RM1,467.6 million. The following table sets forth the maturity profiles of our contractual obligations as of 30 June 2013:

	Maturity Period			
	Less than 1 year	1-5 years	More than 5 years	Total
		(RM '000)		
Capital lease obligations ...	49,066	255,806	333,769	638,641
Purchase obligations..........	399,967	289,145	-	689,112
Operating lease obligations......................	23,732	81,797	34,356	139,885
Total................................	472,765	626,748	368,125	1,467,638

The capital lease obligations relate to fixed payments made to the PKA on certain leased assets. Purchase obligations are contractual obligations relating to equipment purchases as well as the construction of CT7. Operating lease obligations relate to the lease of IT infrastructures, which run for a period of 10 years. All of these contractual obligations will be funded through cash generated from operations and drawdown of our SMTN Programmes.

Other than the obligations set forth above, we did not have any long-term debt obligations, capital lease obligations, operating lease obligations, purchase obligations or other long-term liabilities as of 30 June 2013.

12.2.12 Off-balance sheet arrangements

As at the LPD, we have no off-balance sheet arrangement that have or are reasonably expected to have a material effect on our existing or future financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

12.2.13 Contingent liabilities and material litigation

As at the LPD, we have no contingent liabilities nor are we engaged in any material litigation that have or are reasonably expected to have a material effect on our existing or future financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

12.2.14 Financial risk management

As a result of our operating and financing activities, we are exposed to market risks such as profit rate risk, credit risk, liquidity risk, currency risk and inflation risk. We have implemented policies and procedures to measure, manage, monitor and report risk exposures, which are regularly reviewed by the appropriate management and supervisory bodies. Our management team is in charge of identifying risk exposures and monitoring and managing such risks on a daily basis. Our overall risk management programme on investment activities focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on our performance.

(i) **Profit rate risk**

(a) **Risk management objectives, policies and processes for managing the risk**

Although our fixed rate financings are exposed to a risk of change in fair value due to changes in profit rates, we do not believe such risk to be significant.

Additionally, each drawdown of our SMTN Programmes is subject to fluctuations in profit rates as such rates are set prior to a drawdown and are based on current market rates. Furthermore, while short-term receivables, fixed deposits with licensed banks and payables are not significantly exposed to profit rate risk, they are exposed to interest rate risk.

As of 30 June 2013, our significant financial instruments subject to profit payments, based on carrying amounts as of the end of the reporting period were RM700.0 million relating to SMTN II.

(b) **Fair value sensitivity analysis for fixed rate instruments**

We do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and we do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in profit rates at the end of the reporting period would not affect profit or loss.

(ii) **Credit risk**

Credit risk is the risk of a financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Our exposure to credit risk arises principally from our receivables from customers.

(a) **Risk management objectives, policies and processes for managing the risk**

We have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed by our credit control team that sets policies, approves credit evaluations and institutes mitigating actions.

New customers are subject to credit evaluation process and existing customers' risk profiles are reviewed regularly with a view to setting appropriate terms of trade and credit limits. Where appropriate, further transactions are suspended and legal actions are taken to attempt recoveries and mitigate losses. Financial guarantees from certain customers may be obtained.

(b) **Exposure to credit risk, credit quality and collateral**

As of 30 June 2013, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

We have taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with us. We use ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days are deemed to have higher credit risk, are monitored individually.

As of 30 June 2013, we had a concentration of credit risk in the form of trade debts from three (3) main customers, representing approximately 52% of the our trade receivables.

Our Group obtains financial guarantees from certain customers in managing our exposure to credit risks. As of 30 June 2013, financial guarantees received by us amounted to RM22.4 million from trade receivables.

We limit our credit risk with regard to bank deposits by only dealing with reputable banks.

(iii) Liquidity risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. Our exposure to liquidity risk arises principally from our various payables and borrowings.

We maintain a level of cash and cash equivalents and banking facilities that are deemed adequate by our management to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they fall due. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at a significantly different amounts. The table below illustrates the maturity profiles of our financial liabilities as of 30 June 2013, based on undiscounted contractual payments:

	Maturity Period				
	Up to 1 year	**More than 1 year – 2 years**	**More than 2 year – 5 years**	**More than 5 years**	**Total**
			(RM '000)		
Borrowings[(1)]	34,962	34,978	104,933	953,858	1,128,731
Trade and other payables	190,827	-	-	-	190,827
Total	225,789	34,978	104,933	953,858	1,319,558

Note:

(1) Borrowings consists of SMTN II.

(iv) Currency risk

We are exposed to foreign currency risk on purchases of machineries and parts that are denominated in currency other than our functional currency. The currency that gives rise to this risk is primarily the US Dollar.

(a) Risk management objectives, policies and processes for managing the risk

Exposure to foreign currency risk is monitored and where considered necessary, we may consider appropriate hedging strategies to mitigate the foreign currency risks.

(b) Foreign currency sensitivity analysis

We do not have any significant exposure to foreign currency risk as most of our transactions and balances are denominated in Ringgit Malaysia, other than the purchases of machineries and parts.

12.2.15 Inflation

We do not believe that inflation has had a material impact on our business, financial condition or results of operations.

12.2.16 Order book

Due to the nature of our business, we do not maintain an order book.

12.2.17 Treasury policies and objectives

Our treasury policy is to maintain sufficient working capital to finance our operations and meet our anticipated commitments arising from operational expenditure and financial liabilities by maintaining adequate liquidity and credit facilities.

We manage our liquidity to help ensure access to sufficient funding at acceptable costs to meet our business needs and financial obligations throughout business cycles. Our liquidity and funding plans are designed to meet our funding requirements under normal and stress scenarios, which include primarily purchases of machineries and parts, payroll, principal payments on outstanding borrowings, dividends and general obligations such as operating expenses. We have historically relied on cash generated from operations, our SMTN Programmes, a government grant, credit extended by our suppliers and revolving credits from our principal banker. Our funding policy is to obtain the most suitable type of financing and favourable cost of funding as our financing needs arise.

All of our cash and cash equivalents are held in RM and all of our borrowings are denominated in RM. However, we are exposed to foreign currency risk as a result of transactions entered into in currencies other than RM, which consist primarily of purchases of machineries and parts. These transactions are denominated predominantly in US Dollar. Our Board continually reviews our foreign currency risk and where considered necessary may consider appropriate actions and strategies to mitigate adverse impacts that may result from fluctuations in foreign currency exchange rates.

12.2.18 Government/economic/fiscal/monetary policies

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are set out in Sections 5 and 12.2.2 of this Prospectus.

12.2.19 Prospects

The results of our operations and financial condition for the year ending 31 December 2013 have so far been and/or are expected to be mainly influenced by the following factors in addition to the factors included in Sections 5 and 12.2.2 of this Prospectus:

(a) Level of regional and global trade and globalisation;

(b) Regional and global competition;

(c) Our operational efficiency; and

(d) Our ability to control operational and capital expenditures.

12.2.20 Seasonality

The container port industry has historically experienced monthly variations in revenue as a result of various holiday seasons, with revenue peaking prior to the Christmas season. In the past decade, these variations have resulted in monthly volatility in our operating results with revenues generally growing throughout the year with increases during certain holiday seasons.

In 2012, Westports' throughput experienced steady growth throughout the year as a result of increased cargo shipments from Asia and the Middle East, which peaked as a result of Chinese New Year and the month of Ramadan, rather than solely as a result of the Christmas season, which in turn had caused an increase in throughput at various times throughout the year.

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12.2.21 Pro forma financial information

We have presented our pro forma statements of profit or loss and other comprehensive income for the years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2013, adjusting the financial results to reflect the MSA Termination and its related tax effect at the statutory Malaysian tax rate of 25% in order to provide a better understanding of the trend in our financial performance. The MSA sets the management fee to be paid to PRSB at 5% of our operational revenue, net of certain marketing expenses.

Additional expenses incurred for our Non-Independent Executive Chairman subsequent to the termination of the MSA are not accounted for in the pro forma tables presented below. The remuneration and material benefits-in-kind paid and proposed to be paid to our Non-Independent Executive Chairman is disclosed in Sections 9.1.8 and 9.10 of this Prospectus. Such additional expenses are incurred as part of our administrative expenses.

Our pro forma consolidated financial information has been prepared on the basis stated in note 4 to the pro forma consolidated financial information presented solely for illustrative purposes set out in Section 12.5 of this Prospectus. The pro forma consolidated financial information has been prepared using financial statements prepared in accordance with MFRS and IFRS and in a manner consistent with both the format of the financial statements and the accounting policies adopted by us. Our pro forma consolidated financial information does not purport to represent what our actual consolidated results of operations or financial position would have been if our current corporate structure had been in place throughout the periods under review. For additional information refer to Section 5.1.30 of this Prospectus.

(i) Results of operations

The following tables set forth the pro forma adjustments made to our historical consolidated statements of profit or loss and other comprehensive income for the years ended 31 December 2010, 2011 and 2012 and the six (6) months ended 30 June 2013:

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	Six (6) months ended 30 June 2013		
	Historical (Audited)		Pro Forma
	Consolidated	Pro forma adjustments	Consolidated
	(RM '000)	(RM '000)	(RM '000)
Statement of profit or loss and other comprehensive income			
Revenue	750,084	-	750,084
Cost of sales	(402,182)	-	(402,182)
Gross profit	347,902	-	347,902
Other income	35,982	-	35,982
Administrative expenses	(41,206)	29,524	(11,682)
Other expenses	(67,267)	-	(67,267)
Results from operating activities	275,411	29,524	304,935
Finance income	4,789	-	4,789
Finance costs	(28,256)	-	(28,256)
PBT	251,944	29,524	281,468
Tax expense	(53,548)	(7,381)	(60,929)
PAT	198,396	22,143	220,539
Fair value of available-for-sale financial assets	-	-	-
Total comprehensive income attributable to owners of the Company	198,396	22,143	220,539

	Year ended 31 December 2012		
	Historical (Audited)		Pro Forma
	Consolidated	Pro forma adjustments	Consolidated
	(RM '000)	(RM '000)	(RM '000)
Statement of profit or loss and other comprehensive income			
Revenue	1,492,262	-	1,492,262
Cost of sales	(823,489)	-	(823,489)
Gross profit	668,773	-	668,773
Other income	13,734	-	13,734
Administrative expenses	(72,585)	56,446	(16,139)
Other expenses	(125,509)	-	(125,509)
Results from operating activities	484,413	56,446	540,859
Finance income	7,119	-	7,119
Finance costs	(56,859)	-	(56,859)
PBT	434,673	56,446	491,119
Tax expense	(73,713)	(14,112)	(87,825)
PAT	360,960	42,334	403,294
Fair value of available-for-sale financial assets	(1,643)	-	(1,643)
Total comprehensive income attributable to owners of the Company	359,317	42,334	401,651

	Year ended 31 December 2011		
	Historical (Audited)		Pro Forma
	Consolidated	Pro forma adjustments	Consolidated
	(RM '000)	(RM '000)	(RM '000)
Statement of profit or loss and other comprehensive income			
Revenue	1,387,374	-	1,387,374
Cost of sales	(782,757)	-	(782,757)
Gross profit	604,617	-	604,617
Other income	14,591	-	14,591
Administrative expenses	(81,504)	51,266	(30,238)
Other expenses	(124,754)	-	(124,754)
Results from operating activities	412,950	51,266	464,216
Finance income	6,977	-	6,977
Finance costs	(54,873)	-	(54,873)
PBT	365,054	51,266	416,320
Tax expense	(48,581)	(12,817)	(61,398)
PAT	316,473	38,449	354,922
Fair value of available-for-sale financial assets	1,643	-	1,643
Total comprehensive income attributable to owners of the Company	318,116	38,449	356,565

	Year ended 31 December 2010		
	Historical (Audited)		Pro Forma
	Consolidated	Pro forma adjustments	Consolidated
	(RM '000)	(RM '000)	(RM '000)
Statement of profit or loss and other comprehensive income			
Revenue	998,548	-	998,548
Cost of sales	(434,756)	-	(434,756)
Gross profit	563,792	-	563,792
Other income	39,944	-	39,944
Administrative expenses	(68,074)	45,812	(22,262)
Other expenses	(107,420)	-	(107,420)
Results from operating activities	428,242	45,812	474,054
Finance income	7,196	-	7,196
Finance costs	(49,845)	-	(49,845)
PBT	385,593	45,812	431,405
Tax expense	(100,737)	(11,453)	(112,190)
PAT	284,856	34,359	319,215
Total comprehensive income attributable to owners of the Company	284,856	34,359	319,215

(a) Six (6) months ended 30 June 2013

Giving effect to the pro forma adjustments, our PAT and total comprehensive income attributable to owners of the Company increased by 11.2% from RM198.4 million to RM220.5 million due to a decrease in administrative expenses of RM29.5 million and an increase in tax expense of RM7.4 million.

(b) Year ended 31 December 2012

Giving effect to the pro forma adjustments, our PAT increased by 11.7% from RM361.0 million to RM403.3 million and our total comprehensive income attributable to owners of the Company increased by 11.8% from RM359.3 million to RM401.7 million for the year ended 31 December 2012 due to a decrease in administrative expenses of RM56.4 million and an increase in tax expense of RM14.1 million.

(c) Year ended 31 December 2011

Giving effect to the pro forma adjustments, our PAT increased by 12.1% from RM316.5 million to RM354.9 million and our total comprehensive income attributable to owners of the Company increased by 12.1% from RM318.1 million to RM356.6 million for the year ended 31 December 2011 due to a decrease in administrative expenses of RM51.3 million and an increase in tax expense of RM12.8 million.

(d) Year ended 31 December 2010

Giving effect to the pro forma adjustments, our PAT and total comprehensive income attributable to owners of the Company increased by 12.1% from RM284.9 million to RM319.2 million due to a decrease in administrative expenses of RM45.8 million and an increase in tax expense of RM11.5 million.

12.3 Capitalisation and indebtedness

The following information should be read in conjunction with the Reporting Accountants' Letter on the Pro Forma Consolidated Financial Information as at 30 June 2013 and the notes thereto and the Accountants' Report set out in Sections 12.5 and 13 of this Prospectus, respectively.

The following table sets out our historical consolidated and pro forma capitalisation and indebtedness information as at 30 June 2013 based on our historical consolidated statement of financial position and our pro forma consolidated financial information as at 30 June 2013 as set out in Sections 13 and 12.5 of this Prospectus, respectively. The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 30 June 2013 and is provided for illustrative purposes only.

	Historical (Audited)	Pro Forma I	Pro Forma II	Pro Forma III
	As at 30 June 2013	After MSA Termination	After Pro Forma I, interim dividend[(2)] and Pre-Listing Exercise	After Pro Forma II and our IPO
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Indebtedness				
Long-term debt				
Secured				
SMTN II	700,000	700,000	700,000	700,000
Total indebtedness	**700,000**	**700,000**	**700,000**	**700,000**
Total shareholders' equity	**1,515,623**	**1,537,766**	**1,389,176**	**1,377,172**
Total capitalisation and indebtedness	**2,215,623**	**2,237,766**	**2,089,176**	**2,077,172**
Gearing ratio (times)[(1)]	**0.46**	**0.46**	**0.50**	**0.51**

Notes:

(1) Computed based on total indebtedness over total shareholders' equity.

(2) The interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 paid from the cash and bank balances of our Company.

12.4 Selected pro forma consolidated statement of financial position data

The selected pro forma consolidated statement of financial position data has been derived from the pro forma consolidated financial information set out in Section 12.5 of this Prospectus, using historical financial statements that were prepared in accordance with MFRS and IFRS and in a manner consistent with both the format of the financial statements and the accounting policies of our Company and, where appropriate, of our subsidiaries, except as disclosed in Section 12.5 of this Prospectus.

The selected pro forma consolidated statement of financial position data as at 30 June 2013 has been prepared for illustrative purposes only to show the effects on our historical consolidated statement of financial position as at 30 June 2013 based on the assumption that the MSA Termination (the effects of which have been recognised on 1 January 2013), the recognition of the interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 and the following transactions have been effected as at 30 June 2013:

(i) the Pre-Listing Exercise;

(ii) the IPO; and

(iii) the Listing.

The selected pro forma consolidated statement of financial position data should be read in conjunction with the Reporting Accountants' Letter on the Pro Forma Consolidated Financial Information as at 30 June 2013 and the notes thereto as set out in Section 12.5 of this Prospectus.

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	Historical (Audited)	Pro Forma I	Pro Forma II	Pro Forma III
	As at 30 June 2013	After MSA Termination	After Pro Forma I, interim dividend[(2)] and Pre-Listing Exercise	After Pro Forma II and our IPO
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
NON-CURRENT ASSETS				
Property, plant and equipment	1,051,105	1,051,105	1,051,105	1,051,105
Concession assets	1,698,498	1,698,498	1,698,498	1,698,498
TOTAL NON-CURRENT ASSETS	2,749,603	2,749,603	2,749,603	2,749,603
CURRENT ASSETS				
Trade and other receivables	224,084	224,084	224,084	224,084
Cash and cash equivalents	212,328	226,596	78,006	66,002
TOTAL CURRENT ASSETS	436,412	450,680	302,090	290,086
TOTAL ASSETS	3,186,015	3,200,283	3,051,693	3,039,689
EQUITY				
Share capital	117,000	117,000	341,000	341,000
Share premium	34,000	34,000	697,000	697,000
Reserves	1,364,623	1,386,766	351,176	339,172
TOTAL EQUITY	1,515,623	1,537,766	1,389,176	1,377,172
NON-CURRENT LIABILITIES				
Borrowings	700,000	700,000	700,000	700,000
Employee benefits	9,589	9,589	9,589	9,589
Deferred tax liabilities	230,292	230,292	230,292	230,292
Provision for concession liability	413,950	413,950	413,950	413,950
TOTAL NON-CURRENT LIABILITIES	1,353,831	1,353,831	1,353,831	1,353,831
CURRENT LIABILITIES				
Trade and other payables	244,172	228,916	228,916	228,916
Tax payable	23,323	30,704	30,704	30,704
Provision for concession liability	49,066	49,066	49,066	49,066
TOTAL CURRENT LIABILITIES	316,561	308,686	308,686	308,686
TOTAL LIABILITIES	1,670,392	1,662,517	1,662,517	1,662,517
TOTAL EQUITY AND LIABILITIES	3,186,015	3,200,283	3,051,693	3,039,689
NA attributable to equity holders of our Company per ordinary share (RM)[(1)]	12.95	13.14	0.41	0.40

Notes:

(1) Computed based on the NA attributable to equity holders of our Company over number of shares.

(2) The interim single tier dividend amounting to RM148,590,000 in respect of the year ending 31 December 2013 paid from the cash and bank balances of our Company.

12.5 Reporting Accountants' letter on the pro forma consolidated financial information

(Prepared for inclusion in this Prospectus)

KPMG

KPMG (Firm No. AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Telephone +60 (3) 7721 3388
Fax +60 (3) 7721 3399
Internet www.kpmg.com.my

The Board of Directors
Westports Holdings Berhad
Westports Pulau Indah
42009 Port Klang
Selangor Darul Ehsan
Malaysia

30 August 2013

Dear Sirs

WESTPORTS HOLDINGS BERHAD
Report on the Compilation of Pro forma Consolidated Financial Information Included in a Prospectus for the listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Market of Bursa Securities

We have completed our assurance engagement to report on the compilation of pro forma consolidated financial information of Westports Holdings Berhad ("WHB" or "the Company") and its subsidiaries ("Group") by the Board of Directors of the Company as at 30 June 2013, and the notes therein as set out in Attachment A (which we have stamped for the purpose of identification), of the prospectus issued by the Company. The applicable criteria on the basis of which the Board of Directors of the Company has compiled the pro forma consolidated financial information are specified in the notes thereon in accordance with the requirement of the *Prospectus Guidelines* issued by the Securities Commission Malaysia ("SC") ("Guidelines") in respect of the Initial Public Offering ("IPO").

The pro forma consolidated financial information has been compiled by the Board of Directors of the Company to illustrate the impact of:

1. the termination of the Management Services Agreement as defined and detailed in Note 2.1 of Attachment A;
2. the financial year ending 31 December 2013 interim dividend ("FY13 Interim Dividend") to reflect an interim single tier dividend as defined and detailed in Note 2.2 of Attachment A; and
3. the pre-listing exercise ("Pre-Listing Exercise") and the initial public offering ("IPO") as defined and detailed in Note 2.3 and Note 3 of Attachment A;

on the Company's consolidated statement of financial position and the consolidated statement of profit or loss and other comprehensive income, as if these events had occurred or the transactions had been as at 30 June 2013 or at the beginning of the six month period ended 30 June 2013. As part of this process, information about the Group's financial position and financial performance has been extracted by the Board of Directors from the Group's consolidated financial statements for the six month period ended 30 June 2013, on which an audit report has been published.

KPMG

Board of Directors's responsibility for the Proforma Consolidated Financial Information

The Board of Directors of the Company is responsible for compiling the pro forma consolidated financial information based on the basis set out in the Notes 2 to 4 to the pro forma consolidated financial information as required by the Guidelines.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion as required by the Guidelines, about whether the pro forma consolidated financial information has been compiled, in all material respects, by the Board of Directors of the Company on the basis stated in Notes 2 to 4 in Attachment A.

We conducted our engagement in accordance with International Standards on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of the Company has compiled, in all material respects, the pro forma consolidated financial information on the basis stated in Notes 2 to 4 in Attachment A.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated financial information.

The purpose of pro forma consolidated financial information included in a prospectus is solely to illustrate the impact of any significant events or transactions on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions, when they occur, would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the pro forma consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effects to those criteria; and
- The pro forma consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the pro forma consolidated financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG

WESTPORTS HOLDINGS BERHAD
Report on the Compilation of Pro forma Consolidated Financial Information Included in a Prospectus for the listing of and quotation for the entire issued and paid-up share capital of The Company on the Main Market of Bursa Securities
30 August 2013

Opinion

In our opinion,

1. the pro forma consolidated financial information has been compiled, in all material respects, on the basis stated in Notes 2 to 4 of the Attachment A of the pro forma consolidated financial information using the historical financial statements prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards and in a manner consistent with both the format of the financial statements and the accounting policies of the Company and, where appropriate, of its subsidiaries; and

2. each material adjustment made to the information used in the preparation of the pro forma consolidated financial information is appropriate for the purpose of preparing the pro forma consolidated financial information.

Other Matters

The pro forma consolidated financial information has been prepared for inclusion in the prospectus in connection with the listing of the shares of the Company on the Main Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes.

Yours faithfully

KPMG
Firm Number: AF 0758
Chartered Accountants

Ahmad Nasri Abdul Wahab
Approval Number: 2919/03/14(J)
Chartered Accountant

ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

1. INTRODUCTION

The Pro Forma Consolidated Financial Information should be read in conjunction with the historical consolidated financial statements of Westports Holdings Berhad ("**WHB**" or "**the Company**") and its subsidiaries (the "**Group**") for the years ended 31 December 2010, 2011, 2012 and the six (6) month period ended 30 June 2013, respectively, which are set out in Section 12 of the Prospectus.

The Pro Forma Consolidated Financial Information has been prepared for inclusion in the Prospectus of WHB in connection with the initial public offering ("**IPO**") of ordinary shares of the Company and listing of and quotation for the entire issued and paid up share capital of WHB on the Main Market of Bursa Malaysia Securities Berhad ("**Listing**").

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
P.O. Box 266, Pulau Indah
42009 Port Klang
Selangor Darul Ehsan

Registered office
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

The Company is principally involved in investment holding and the provision of management services to its subsidiaries, whilst the principal activities of its subsidiaries are:
i) port development and management of port operations; and
ii) storage and transhipment of vehicles (ceased operations, dormant and in the process of being voluntarily wound up).

There has been no significant change in the nature of these activities during the financial years under review.

2. THE PROPOSALS

Prior to the implementation of the IPO and Listing, WHB had undertaken the following transactions and Pre-Listing Exercise. We have assumed that the following transactions and the Pre-Listing Exercise were effected as at 30 June 2013:

2.1 Termination of the Management Services Agreement ("MSA")

Pembinaan Redzai Sdn. Bhd. ("**PRSB**") and Westports Malaysia Sdn. Bhd. ("**WMSB**") are to terminate the MSA dated 1 January 2001 entered into between them, subject to all regulatory approvals being obtained for the IPO and Listing and should be effective 10 days prior to the date of which the Securities Commission Malaysia provides its confirmation on the registration of the Prospectus.

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ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

2. THE PROPOSALS (continued)

2.2 FY13 Interim Dividend

WHB proposed an interim single tier dividend of RM148,590,000 in respect of the financial year ending 31 December 2013.

2.3 Pre-Listing Exercise

(i) Bonus Issue

WHB undertook a Bonus Issue involving the issuance of 183,000,000 bonus shares which were credited as fully paid-up, on the basis of approximately 1.56 bonus shares for every one (1) existing ordinary share of RM1.00 each ("**Pre-subdivided WHB Share**") held by capitalising a total of RM183,000,000 from the audited retained earnings and share premium as at 31 December 2012 of RM149,000,000 and RM34,000,000 respectively.

The Bonus Issue was completed on 29 August 2013. Upon completion of the Bonus Issue, the issued and paid-up share capital of WHB increased from 117,000,000 Pre-subdivided WHB Shares to 300,000,000 Pre-subdivided WHB Shares.

(ii) Subdivision of Shares

Subsequent to the Bonus Issue, WHB undertook a subdivision of one (1) Pre-subdivided WHB Shares into ten (10) ordinary shares of RM0.10 each in WHB ("**WHB Shares**"), which were credited as fully paid-up.

The Subdivision of Shares was completed on 29 August 2013. In consequence thereof, the authorised share capital of WHB of RM500,000,000 comprised 5,000,000,000 WHB Shares and the issued and paid-up share capital of WHB of RM300,000,000 comprised 3,000,000,000 WHB Shares.

(iii) Special Dividend

Subsequent to the Bonus Issue and Subdivision of Shares, WHB had on 29 August 2013 paid a special cash dividend of RM738,000,000 which was funded by dividend income received from its subsidiary, WMSB.

(iv) Shares Subscription

PRSB and South Port Investment Holdings Limited had on 29 August 2013 subscribed for 246,000,000 new WHB Shares and 164,000,000 new WHB Shares, respectively at an issue price of RM1.80 for each WHB Share.

The proceeds arising from the Shares Subscription were applied towards meeting the working capital requirements and general operating purposes of WMSB.

For avoidance of doubt, these new WHB Shares were not entitled to the Special Dividend.

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ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

3. THE IPO

Upon completion of the abovementioned transactions and the Pre-Listing Exercise, WHB undertakes the IPO comprising an offer for sale of up to 813,190,000 WHB Shares ("**Offer Shares**") to retail and institutional investors in the following manner below, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in the relevant sections of the Prospectus ("**Offer For Sale**"):

3.1 Institutional Offering

Institutional offering involves the offering of up to 710,890,000 Offer Shares at the Institutional Price, representing up to 20.8% of the total issued and paid-up share capital of WHB in the following manner:

(a) 392,150,000 Offer Shares to Bumiputera investors approved by the Ministry of International Trade and Industry ("**MITI**"); and

(b) 318,740,000 Offer Shares to the following persons:

  (i) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI);

  (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S under the U.S. Securities Act; and

  (iii) Qualified Institutional Buyers in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act.

3.2 Retail Offering

Retail offering involves the offering of 102,300,000 Offer Shares at the Retail Price, representing 3% of the total issued and paid-up share capital of WHB in the following manner:

(i) 34,100,000 Offer Shares reserved for application by the eligible employees, Directors and persons who have contributed to the success of the Group; and

(ii) 68,200,000 Offer Shares for application by the Malaysian public, to be allotted via balloting.

ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

3. THE IPO (continued)

3.3 Utilisation of proceeds

WHB will not receive any proceeds from the Offer For Sale. The gross proceeds from the Offer For Sale of approximately RM2,032,975,000 (on the assumption that the Institutional Price is equivalent to the Retail Price) will accrue entirely to the selling shareholders and will be utilised by the selling shareholders.

The estimated expenses totalling RM15,800,000 comprise professional fees, fees to authorities and miscellaneous expenses. As of 30 June 2013, a total of RM3,796,000 has been incurred. The remaining RM12,004,000 will be charged to the profit or loss account as and when incurred.

The selling shareholders will bear their own professional fees, brokerage, underwriting commission and placement fees as well as other miscellaneous expenses in respect of the IPO.

4. BASIS OF PREPARATION OF THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The Pro Forma Consolidated Financial Information, consist of the following:

i) Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 31 December 2010, 2011, 2012 and the six (6) month period ended 30 June 2013; and

ii) Pro Forma Consolidated Statement of Financial Position as at 30 June 2013.

The Pro Forma Consolidated Financial Information has been compiled based on the historical audited consolidated financial statements of the Group for the years ended 31 December 2010, 2011, 2012 and the six (6) month period ended 30 June 2013, which are prepared in accordance with the Malaysian Financial Reporting Standards ("**MFRS**") and International Financial Reporting Standards ("**IFRS**").

The Pro Forma Consolidated Financial Information is expressed in Ringgit Malaysia ("**RM**") and rounded to the nearest thousand, unless otherwise stated.

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ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

4. BASIS OF PREPARATION OF THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (continued)

The Pro Forma Consolidated Financial Information is not necessarily indicative of the financial positions and results of the operations that would have been attained had the Termination of MSA, FY13 Interim Dividend, Pre-Listing Exercise and IPO actually occurred at the respective dates. The Pro Forma Consolidated Financial Information has been prepared for illustrative purposes only, and because of its nature, may not give a true picture of the actual financial position and results of operations of the Group.

5. EFFECTS TO THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

a) Pro Forma I –Termination of MSA

This has been presented to include the effects of the termination of MSA dated 1 January 2001 entered into between PRSB and WMSB and its related tax effects at the prevailing statutory tax rate of 25% as detailed in Note 2.1.

b) Pro Forma II – FY13 Interim Dividend and Pre-Listing Exercise

Pro Forma II incorporates effects of Pro Forma I and the effects of the FY13 Interim Dividend, Bonus Issue, Subdivision of Shares, Special Dividend and Shares Subscription as detailed in Notes 2.2 and 2.3, respectively.

c) Pro Forma III – IPO

Pro Forma III incorporates effects of Pro Forma I and II and the effects of Institutional Offering and Retail Offering as detailed in Note 3.

ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

5. EFFECT TO THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (continued)

5.1 Cash and Cash Equivalents

	RM'000
Balance as at 30 June 2013	212,328
Effect of Pro Forma I, Termination of MSA	
- Termination of MSA	14,268
Pro Forma I	226,596
Effects of Pro Forma II, FY13 Interim Dividend and Pre-Listing Exercise	
- FY13 Interim Dividend	(148,590)
- Special Dividend	(738,000)
- Shares Subscription	738,000
Pro Forma II	78,006
Effect of Pro Forma III, IPO	
- Payment of estimated expenses for IPO	(12,004)
Pro Forma III	66,002

5.2 Movement of Share Capital

	No. of shares ('000)	RM'000
Balance as at 30 June 2013	117,000	117,000
Effect of Pro Forma II, Pre-Listing Exercise		
- Bonus Issue	183,000	183,000
Adjusted no. of shares outstanding post Bonus Issue	300,000	300,000
- Subdivision of Shares	3,000,000	300,000
- Shares Subscription	410,000	41,000
Pro Forma II - enlarged share capital	3,410,000	341,000

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

5. EFFECT OF THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (continued)

5.3 Movement of Share Premium

	RM'000
Balance as at 30 June 2013	34,000
Effect of Pro Forma II, Pre-Listing Exercise	
- Bonus Issue	(34,000)
- Shares Subscription	697,000
Pro Forma II	697,000

5.4 Retained Earnings

	RM'000
Balance as at 30 June 2013	1,412,355
Effect of Pro Forma I, Termination of MSA	
- Termination of MSA	22,143
Pro Forma I	1,434,498
Effects of Pro Forma II, FY13 Interim Dividend and Pre-Listing Exercise	
- FY13 Interim Dividend	(148,590)
- Special Dividend	(738,000)
- Bonus Issue	(149,000)
Pro Forma II	398,908
Effect of Pro Forma III, IPO	
- Payment of estimated expenses for IPO	(12,004)
Pro Forma III	386,904

5.5 Trade and other payables

	RM'000
Balance as at 30 June 2013	244,172
Effect of Pro Forma I, Termination of MSA	
- Termination of MSA	(15,256)
Pro Forma I	228,916

ATTACHMENT A

WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

6. Pro Forma Consolidated Statement of Financial Position

The Pro Forma Consolidated Statement of Financial Position of the Group as at 30 June 2013 as set out below has been prepared for illustrative purposes only to show the effects of the audited Consolidated Statement of Financial Position as at 30 June 2013 on the assumptions that the Termination of MSA, FY13 Interim Dividend, Pre-Listing Exercise and the IPO as set out in Note 2.1, Note 2.2, Note 2.3 and Note 3, respectively had been effected as at 30 June 2013, and should be read in conjunction with the notes in this Section.

	Historical		Pro Forma I		Pro Forma II		Pro Forma III
	Consolidated Statement of Financial Position as at 30 June 2013	Termination of MSA (a)	After Termination of MSA	FY13 Interim Dividend and Pre-Listing Exercise (b)	After Pro Forma I, FY13 Interim Dividend and Pre-Listing Exercise	The IPO (c)	After Pro Forma II and the IPO
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets							
Property, plant and equipment	1,051,105	-	1,051,105	-	1,051,105	-	1,051,105
Concession assets	1,698,498	-	1,698,498	-	1,698,498	-	1,698,498
Total non-current assets	2,749,603	-	2,749,603	-	2,749,603	-	2,749,603
Current assets							
Trade and other receivables	224,084	-	224,084	-	224,084	-	224,084
Cash and cash equivalents	212,328	14,268	226,596	(148,590)	78,006	(12,004)	66,002
Total current assets	436,412	14,268	450,680	(148,590)	302,090	(12,004)	290,086
Total assets	3,186,015	14,268	3,200,283	(148,590)	3,051,693	(12,004)	3,039,689

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

6. Pro Forma Consolidated Statement of Financial Position (continued)

	Historical		Pro Forma I		Pro Forma II		Pro Forma III
	Consolidated Statement of Financial Position as at 30 June 2013	Termination of MSA (a)	After Termination of MSA	FY13 Interim Dividend and Pre-Listing Exercise (b)	After Pro Forma I, FY13 Interim Dividend and Pre-Listing Exercise	The IPO (c)	After Pro Forma II and the IPO
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Equity							
Share capital	117,000	-	117,000	224,000	341,000	-	341,000
Share premium	34,000	-	34,000	663,000	697,000	-	697,000
Goodwill written off reserve	(47,732)	-	(47,732)	-	(47,732)	-	(47,732)
Retained earnings	1,412,355	22,143	1,434,498	(1,035,590)	398,908	(12,004)	386,904
Total equity	1,515,623	22,143	1,537,766	(148,590)	1,389,176	(12,004)	1,377,172
Non-current liability							
Borrowings	700,000	-	700,000	-	700,000	-	700,000
Employee benefits	9,589	-	9,589	-	9,589	-	9,589
Deferred tax liabilities	230,292	-	230,292	-	230,292	-	230,292
Provision for concession liability	413,950	-	413,950	-	413,950	-	413,950
Total non-current liabilities	1,353,831	-	1,353,831	-	1,353,831	-	1,353,831

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

6. Pro Forma Consolidated Statement of Financial Position (continued)

	Historical		Pro Forma I		Pro Forma II		Pro Forma III
	Consolidated Statement of Financial Position as at 30 June 2013	Proposed Termination of MSA (a)	After Termination of MSA	FY13 Interim Dividend and Pre-Listing Exercise (b)	After Pro Forma I, FY13c Interim Dividend and Pre-Listing Exercise	The IPO (c)	After Pro Forma II and the IPO
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current liabilities							
Trade and other payables	244,172	(15,256)	228,916	-	228,916	-	228,916
Tax payable	23,323	7,381	30,704	-	30,704	-	30,704
Provision for concession liability	49,066	-	49,066	-	49,066	-	49,066
Total current liabilities	316,561	(7,875)	308,686	-	308,686	-	308,686
Total liabilities	1,670,392	(7,875)	1,662,517	-	1,662,517	-	1,662,517
Total equity and liabilities	3,186,015	14,268	3,200,283	(148,590)	3,051,693	(12,004)	3,039,689

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

6. Pro Forma Consolidated Statement of Financial Position (continued)

Notes to the Pro Forma adjustments to Consolidated Statement of Financial Position as at 30 June 2013

(a) Adjustments to reflect the financial position subsequent to the Termination of MSA as detailed in Note 2.1. The effect of Termination of MSA, had this been recognised on 1 January 2013 is as follows:-

(i) the related management fee under the MSA in respect of financial period ended 30 June 2013 amounting to RM29,524,000 is adjusted as follows:-

- RM14,268,000 which have been paid as at 30 June 2013 is added back to cash and cash equivalents; and
- RM15,256,000 which remained unpaid as at 30 June 2013 is deducted from trade and other payables.

(ii) the incremental tax payable as a result of excluding the management fee under the MSA amounting to RM7,381,000.

(b) (i) Adjustments to reflect the interim single tier dividend amounting to RM148,590,000 in respect of the financial year ending 31 December 2013 to be approved by the shareholders from the cash and bank balances of WHB as detailed in Note 2.2.

(ii) Adjustments to reflect the financial position as a result of the Pre-Listing Exercise as detailed in Note 2.3.

(c) Adjustments to reflect the financial position as a result of the IPO as detailed in Note 3.

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

Supplementary Information

	Historical	Pro Forma I	Pro Forma II	Pro Forma III
	Consolidated Statement of Financial Position as at 30 June 2013	After Termination of MSA	After Pro Forma I, FY13 Interim Dividend and Pre-Listing Exercise	After Pro Forma II and the IPO
Number of ordinary shares at RM1 each ('000)	117,000	117,000	-	-
Number of ordinary shares at RM0.10 each ('000)	-	-	3,410,000	3,410,000
Net assets (RM'000)*	1,515,623	1,537,766	1,389,176	1,377,172
Net tangible liabilities (RM'000)**	(182,875)	(160,732)	(309,322)	(321,326)
Net assets per share (RM)	12.95	13.14	0.41	0.40
Net tangible liabilities per share (RM)	(1.56)	(1.37)	(0.091)	(0.094)

* Net assets represent total equity
** This is defined as Net assets less Non-Current Concession Assets

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following adjustments have been made in arriving at the Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income for each of the financial years ended 31 December 2010, 2011, 2012 and the six (6) month period ended 30 June 2013:

	Historical	Pro Forma Adjustment	Pro Forma I
	Consolidated Statement of Profit or Loss and Other Comprehensive Income	Termination of MSA	After Termination of MSA
Financial year ended 31 December 2010	**RM'000**	**RM'000**	**RM'000**
Revenue	998,548	-	998,548
Cost of sales	(434,756)	-	(434,756)
Gross profit	563,792	-	563,792
Other income	39,944	-	39,944
Administrative expenses	(68,074)	45,812	(22,262)
Other expenses	(107,420)	-	(107,420)
Results from operating activities	428,242	45,812	474,054
Finance income	7,196	-	7,196
Finance costs	(49,845)	-	(49,845)
Profit before tax	385,593	45,812	431,405
Tax expense	(100,737)	(11,453)	(112,190)
Profit and other comprehensive income for the year	284,856	34,359	319,215

Notes to the Pro Forma adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2010

The above incorporates the Pro Forma adjustments to reflect the financial results pertaining to the Termination of MSA as detailed in Note 2.1. The effects of the Termination of MSA, had this been recognised on 1 January 2010 is as follows:-

(i) the related management fee under the MSA amounting to RM45,812,000 is excluded from administrative expenses; and

(ii) the incremental tax expense as a result of excluding the management fee under the MSA amounting to RM11,453,000.

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

	Historical	Pro Forma Adjustment	Pro Forma I
	Consolidated Statement of Profit or Loss and Other Comprehensive Income	Termination of MSA	After Termination of MSA
Financial year ended 31 December 2011	**RM'000**	**RM'000**	**RM'000**
Revenue	1,387,374	-	1,387,374
Cost of sales	(782,757)	-	(782,757)
Gross profit	604,617	-	604,617
Other income	14,591	-	14,591
Administrative expenses	(81,504)	51,266	(30,238)
Other expenses	(124,754)	-	(124,754)
Results from operating activities	412,950	51,266	464,216
Finance income	6,977	-	6,977
Finance costs	(54,873)	-	(54,873)
Profit before tax	365,054	51,266	416,320
Tax expense	(48,581)	(12,817)	(61,398)
Profit for the year	316,473	38,449	354,922
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Fair value of available-for-sale financial assets	1,643	-	1,643
Total comprehensive income attributable to owners of the Company	318,116	38,449	356,565

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7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

Notes to the Pro Forma adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2011

The above incorporates the pro forma adjustments to reflect the financial results pertaining to the Termination of MSA as detailed in Note 2.1. The effects of the Termination of MSA, had this been recognised on 1 January 2011 is as follows:-

(i) the related management fee under the MSA amounting to RM51,266,000 is excluded from administrative expenses; and

(ii) the incremental tax expense as a result of excluding the management fee under the MSA amounting to RM12,817,000.

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

	Historical	Pro Forma Adjustment	Pro Forma I
	Consolidated Statement of Profit or Loss and Other Comprehensive Income	**Termination of MSA**	**After Termination of MSA**
Financial year ended 31 December 2012	**RM'000**	**RM'000**	**RM'000**
Revenue	1,492,262	-	1,492,262
Cost of sales	(823,489)	-	(823,489)
Gross profit	668,773	-	668,773
Other income	13,734	-	13,734
Administrative expenses	(72,585)	56,446	(16,139)
Other expenses	(125,509)	-	(125,509)
Results from operating activities	484,413	56,446	540,859
Finance income	7,119	-	7,119
Finance costs	(56,859)	-	(56,859)
Profit before tax	434,673	56,446	491,119
Tax expense	(73,713)	(14,112)	(87,825)
Profit for the year	360,960	42,334	403,294
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Fair value of available-for-sale financial assets	(1,643)	-	(1,643)
Total comprehensive income attributable to owners of the Company	359,317	42,334	401,651

Notes to the Pro Forma adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2012

The above incorporates the pro forma adjustments to reflect the financial results pertaining to the Termination of MSA as detailed in Note 2.1. The effects of Termination of MSA, had this been recognised on 1 January 2012 is as follows:-

(i) the related management fee under the MSA amounting to RM56,446,000 is excluded from administrative expenses; and

(ii) the incremental tax expense as a result of excluding the management fee under the MSA amounting to RM14,112,000.

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

	Historical	Pro Forma Adjustment	Pro Forma I	Pro Forma Adjustment	Pro Forma III
	Consolidated Statement of Profit or Loss and Other Comprehensive Income	Termination of MSA (a)	After Termination of MSA	The IPO (b)	After Pro Forma I and the IPO
Six (6) month period ended 30 June 2013	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	750,084	-	750,084	-	750,084
Cost of sales	(402,182)	-	(402,182)	-	(402,182)
Gross profit	347,902	-	347,902	-	347,902
Other income	35,982	-	35,982	-	35,982
Administrative expenses	(41,206)	29,524	(11,682)	(12,004)	(23,686)
Other expenses	(67,267)	-	(67,267)	-	(67,267)
Results from operating activities	275,411	29,524	304,935	(12,004)	292,931
Finance income	4,789	-	4,789	-	4,789
Finance costs	(28,256)	-	(28,256)	-	(28,256)
Profit before tax	251,944	29,524	281,468	(12,004)	269,464
Tax expense	(53,548)	(7,381)	(60,929)	-	(60,929)
Profit and other comprehensive income for the year	198,396	22,143	220,539	(12,004)	208,535

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WESTPORTS HOLDINGS BERHAD
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

7. Pro Forma Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

Notes to the Pro Forma adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six (6) month period ended 30 June 2013

(a) Adjustments to reflect the financial results pertaining to the Termination of MSA as detailed in Note 2.1. The effect of Termination of MSA, had this been recognised on 1 January 2013 is as follows:-

(i) the related management fee under the MSA amounting to RM29,524,000 is excluded from administrative expenses; and

(ii) the incremental tax expense as a result of excluding the management fee under the MSA amounting to RM7,381,000.

(b) Adjustments to reflect the estimated expenses in relation to the IPO as detailed in Note 3.3.

12.6 Dividend policy

It is the policy of our Board in recommending dividends to allow shareholders to participate in our profits, as well as to retain adequate reserves for our future growth.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to our shareholders' approval. However, our ability to pay dividends or make other distributions to our shareholders will depend upon a number of factors, including:

(i) the level of our cash, gearing, return on equity and retained earnings;

(ii) our expected financial performance;

(iii) our projected levels of capital expenditure and other investment plans;

(iv) our working capital requirements; and

(v) our existing and future debt obligations.

We propose to pay dividends out of cash generated from our operations after setting aside necessary funding for capital expenditure and working capital requirements. As part of this policy, our Company targets a dividend payout ratio of not less than 75% of our consolidated profit attributable to our equity holders under MFRS and IFRS, beginning 1 January 2013.

You should note that this dividend policy merely describes our Company's present intention and shall not constitute legally binding statements in respect of our Company's future dividends that are subject to modification at our Board's discretion.

As we are a holding company and we conduct substantially all of our operations through WMSB, our Company's income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from WMSB. The ability of WMSB to pay dividends or make other distributions to us in the future will depend upon its distributable profits, operating results, earnings, capital expenditure plans, general financial condition, compliance with certain financial covenants under certain debt facilities entered into by WMSB and other factors that the board of directors of WMSB deem relevant. Dividends may only be paid out of distributable reserves and under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from WMSB.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future. Refer to Section 5.3.5 of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

(Prepared for inclusion in this Prospectus)

KPMG

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The Board of Directors
Westports Holdings Berhad
P.O. Box 266, Pulau Indah
42009 Port Klang
Selangor Darul Ehsan

30 August 2013

Dear Sirs,

Accountants' Report

1 Introduction

This report has been compiled by Messrs KPMG, an approved company auditor, for inclusion in the Prospectus of Westports Holdings Berhad (hereinafter known as "WHB" or "the Company") in connection with the initial public offering and listing of and quotation for the entire issued and paid up share capital of WHB on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and should not be relied upon for any other purposes.

2 General information

2.1 Background

WHB was incorporated in Malaysia as a private company limited by shares under the Companies Act, 1965 on 27 April 1993 under the name of Steadfast Equity Sdn. Bhd. The Company changed its name to Klang Multi Terminal Holdings Sdn. Bhd. on 1 August 1994. On 4 January 1995, WHB changed its name to Westport Holdings Sdn. Bhd. and subsequently to Westports Holdings Sdn. Bhd. on 14 November 2007. On 26 April 2013, the Company converted to a public limited liability company and changed its name to Westports Holdings Berhad.

WHB is principally engaged in investment holding and the provision of management services to its subsidiaries. The principal activities of WHB's subsidiaries are disclosed in Note 3 of this Accountants' Report. WHB is domiciled in Malaysia and the address of its principal place of business is as follows:

Westports, Pulau Indah
42009 Port Klang
Selangor Darul Ehsan

2 General information (continued)

2.2 Share capital

At the date of incorporation, on 27 April 1993, WHB's authorised share capital was RM100,000 consisting of 100,000 ordinary shares of RM1.00 each. As at that date, WHB's issued and paid-up share capital was RM2.00 consisting of 2 ordinary shares of RM1.00 each.

On 24 August 1994 and 15 August 1996, the authorised share capital of WHB was increased to 100 million ordinary shares of RM1.00 each and to 500 million ordinary shares of RM1.00 each respectively.

Details of the changes in the issued and fully paid-up ordinary share capital of WHB since its date of incorporation are as follows:

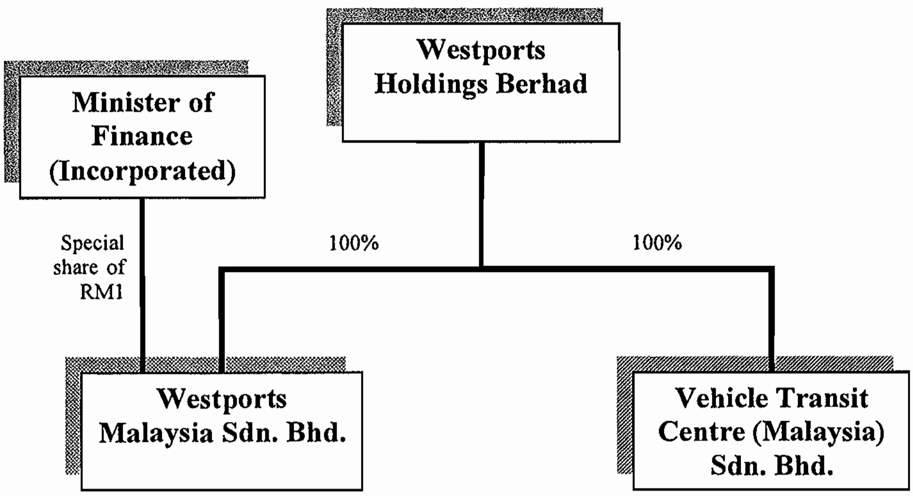
Date of allotment	Number of ordinary shares issued	Par value per ordinary share (RM)	Purpose of share issuance	Cumulative issued and fully paid-up share capital (RM)
27 April 1993	2	1.00	Subscribers' shares	2
23 September 1994	10,000,000	1.00	Capital increase	10,000,002
23 September 1994	89,999,998	1.00	Capital increase	100,000,000
21 December 2000	17,000,000	1.00	Capital increase	117,000,000
29 August 2013	183,000,000	1.00	Bonus issue	300,000,000
29 August 2013	410,000,000	0.10	Subdivision of shares and shares subscription	341,000,000

3 Information on subsidiaries

WHB's subsidiaries are incorporated and domiciled in Malaysia as private limited liability companies under the Companies Act, 1965. The subsidiaries of WHB as at 30 June 2013 and their principal activities are as follows:

Name of subsidiary	Date of incorporation	Effective ownership interest %	Principal activities
Westports Malaysia Sdn. Bhd. ("WMSB")	24 January 1990	100	Port development and management of port operations
Vehicle Transit Centre (Malaysia) Sdn. Bhd.	16 January 1996	100	Storage and transhipment of motor vehicle (Ceased operations, dormant and in the process of being voluntarily wound up)

The WHB's group structure as at the date of this report is as follows:



4 Financial statements and auditors

The financial year end of WHB and its subsidiaries ("WHB Group" or "the Group") is 31 December.

The financial statements of all companies in the WHB Group were audited by KPMG for all the relevant financial years and period under review. The auditors' reports of all audited financial statements for the relevant years and period under review were not subject to any modification or qualification.

5 Basis of preparation of financial information

The historical financial information presented in this report has been prepared from the audited consolidated financial statements of WHB Group, which comprise the consolidated statements of financial position as at 31 December 2010, 2011 and 2012 and the 6 month period ended 30 June 2013 and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the financial years ended 31 December 2010, 2011 and 2012 and the 6 month period ended 30 June 2013 which we have audited and on which we expressed an audit opinion and reported to the Directors of the Company that these consolidated financial statements give a true and fair view of the consolidated financial position as of 31 December 2010, 2011 and 2012 and the 6 month period ended 30 June 2013 and of the consolidated financial performances and cash flows for the financial years ended 31 December 2010, 2011 and 2012 and the 6 month period ended 30 June 2013 in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The consolidated financial statements are the responsibility of the Directors of WHB.

No audited consolidated financial statements exist in respect of any period subsequent to 30 June 2013.

The historical financial information of WHB Group for the three years ended 31 December 2010, 2011, and 2012 and the 6 month period ended 30 June 2013 are set out in Section A of this report.

6. Dividends

The dividends declared and paid by WHB in respect of the relevant years are as follows:

	Sen per share	Total amount (RM'000)	Date of payment
Financial year ended 31 December 2010			
Final 2009, tax exempt	112.76	131,933	13 May 2010 and 17 September 2010
Financial year ended 31 December 2011			
Final 2010, single tier	170.94	200,000	4 May 2011
Interim 2011, single tier	85.47	100,000	10 August 2011
Total amount		300,000	
Financial year ended 31 December 2012			
Final 2011, single tier	85.20	99,684	21 May 2012
Interim 2012, single tier	85.40	99,918	29 August 2012
Total amount		199,602	
Financial period ended 30 June 2013			
Final 2012, single tier	145.98	170,802	30 May 2013

After the reporting period the following dividend was proposed by the Board of Directors. This dividend will be recognised in subsequent financial period.

	Sen per share	Total amount (RM'000)
Interim 2013, single tier	127.00	148,590

SECTION A
HISTORICAL FINANCIAL INFORMATION OF WHB GROUP
FOR THE THREE YEARS ENDED
31 DECEMBER 2010, 2011 AND 2012
AND 6 MONTH PERIOD ENDED
30 JUNE 2013

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A Historical Financial Information of WHB Group

Consolidated statements of financial position as at 31 December 2010, 2011, 2012 and 30 June 2013

	Note	31.12.2010 RM'000 Restated	31.12.2011 RM'000 Restated	31.12.2012 RM'000 Restated	30.6.2013 RM'000
Non-current assets					
Property, plant and equipment	4	776,751	898,006	994,093	1,051,105
Concession assets	5	1,357,601	1,612,021	1,684,147	1,698,498
Total non-current assets		2,134,352	2,510,027	2,678,240	2,749,603
Current assets					
Available-for-sale financial assets	6	-	236,380	-	-
Current tax assets		19	13,215	-	-
Trade and other receivables	7	209,703	226,399	210,659	224,084
Cash and cash equivalents	8	373,750	114,659	325,526	212,328
Total current assets		583,472	590,653	536,185	436,412
Total assets		2,717,824	3,100,680	3,214,425	3,186,015
Equity					
Share capital	9	117,000	117,000	117,000	117,000
Share premium		34,000	34,000	34,000	34,000
Reserves		1,159,198	1,177,314	1,337,029	1,364,623
Total equity		1,310,198	1,328,314	1,488,029	1,515,623
Non-current liabilities					
Borrowings	10	345,000	695,000	450,000	700,000
Employee benefits	11	4,838	8,993	9,334	9,589
Deferred tax liabilities	12	178,484	205,360	219,799	230,292
Trade and other payables	13	13,030	-	-	-
Provision for concession liability	14	469,220	449,020	426,012	413,950
Total non-current liabilities		1,010,572	1,358,373	1,105,145	1,353,831
Current liabilities					
Borrowings	10	100,000	100,000	245,000	-
Trade and other payables	13	228,237	266,675	316,350	244,172
Tax payable		21,499	-	10,835	23,323
Provision for concession liability	14	47,318	47,318	49,066	49,066
Total current liabilities		397,054	413,993	621,251	316,561
Total liabilities		1,407,626	1,772,366	1,726,396	1,670,392
Total equity and liabilities		2,717,824	3,100,680	3,214,425	3,186,015

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A Historical Financial Information of WHB Group

Consolidated statements of profit or loss and other comprehensive income for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Revenue	15	998,548	1,387,374	1,492,262	750,084
Cost of sales		(434,756)	(782,757)	(823,489)	(402,182)
Gross profit		563,792	604,617	668,773	347,902
Other income		39,944	14,591	13,734	35,982
Administrative expenses		(68,074)	(81,504)	(72,585)	(41,206)
Other expenses		(107,420)	(124,754)	(125,509)	(67,267)
Results from operating activities	16	428,242	412,950	484,413	275,411
Finance income	18	7,196	6,977	7,119	4,789
Finance costs	19	(49,845)	(54,873)	(56,859)	(28,256)
Profit before tax		385,593	365,054	434,673	251,994
Tax expense	20	(100,737)	(48,581)	(73,713)	(53,548)
Profit for the year/period		284,856	316,473	360,960	198,396
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Fair value of available-for-sale financial assets	21	-	1,643	(1,643)	-
Total comprehensive income attributable to owners of the Company		284,856	318,116	359,317	198,396
Basic earnings per ordinary share (sen)	22	243.47	270.49	308.51	169.57

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A Historical Financial Information of WHB Group

Consolidated statements of changes in equity for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013

	Note	Attributable to the owners of the Company					
		Non-distributable				*Distributable*	
		Share capital RM'000	**Share premium RM'000**	**Fair value reserve RM'000**	**Goodwill written off reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**
At 1 January 2010							
As previously stated		117,000	34,000	-	(47,732)	1,055,646	1,158,914
Effect of amendments to MFRS 119 (revised)		-	-	-	-	(1,639)	(1,639)
At 1 January 2010, restated		117,000	34,000	-	(47,732)	1,054,007	1,157,275
Profit for the year		-	-	-	-	284,856	284,856
Total comprehensive income for the year		-	-	-	-	284,856	284,856
Distributions to owners of the Company							
- Dividends	23	-	-	-	-	(131,933)	(131,933)
Total transactions with owners of the Company		-	-	-	-	(131,933)	(131,933)
At 31 December 2010		117,000	34,000	-	(47,732)	1,206,930	1,310,198

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A Historical Financial Information of WHB Group

Consolidated statements of changes in equity for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013 (continued)

		/----Attributable to the owners of the Company----					/
		/----*Non-distributable*----			/	*Distributable*	
	Note	Share capital RM'000	Share premium RM'000	Fair value reserve RM'000	Goodwill written off reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2011							
As previously stated		117,000	34,000	-	(47,732)	1,208,569	1,311,837
Effect of amendments to MFRS 119 (revised)		-	-	-	-	(1,639)	(1,639)
At 1 January 2011, restated		117,000	34,000	-	(47,732)	1,206,930	1,310,198
Fair value gain of available-for-sale financial assets		-	-	1,643	-	-	1,643
Total other comprehensive income for the year		-	-	1,643	-	-	1,643
Profit for the year		-	-	-	-	316,473	316,473
Total comprehensive income for the year		-	-	1,643	-	316,473	318,116
Distributions to owners of the Company							
- Dividends	23	-	-	-	-	(300,000)	(300,000)
Total transactions with owners of the Company		-	-	-	-	(300,000)	(300,000)
At 31 December 2011		117,000	34,000	1,643	(47,732)	1,223,403	1,328,314

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A Historical Financial Information of WHB Group

Consolidated statements of changes in equity for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013 (continued)

		/----Attributable to the owners of the Company----					/
		/----*Non-distributable*----			/	*Distributable*	
	Note	Share capital RM'000	Share premium RM'000	Fair value reserve RM'000	Goodwill written off reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2012							
As previously stated		117,000	34,000	1,643	(47,732)	1,225,042	1,329,953
Effect of amendments to MFRS 119 (revised)		-	-	-	-	(1,639)	(1,639)
At 1 January 2012, restated		117,000	34,000	1,643	(47,732)	1,223,403	1,328,314
Fair value of available-for-sale financial assets realised		-	-	(1,643)	-	-	(1,643)
Total other comprehensive income for the year		-	-	(1,643)	-	-	(1,643)
Profit for the year		-	-	-	-	360,960	360,960
Total comprehensive income for the year		-	-	(1,643)	-	360,960	359,317
Distributions to owners of the Company							
- Dividends	23	-	-	-	-	(199,602)	(199,602)
Total transactions with owners of the Company		-	-	-	-	(199,602)	(199,602)
At 31 December 2012		117,000	34,000	-	(47,732)	1,384,761	1,488,029

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A **Historical Financial Information of WHB Group**

Consolidated statements of changes in equity for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013 (continued)

		/----Attributable to the owners of the Company----					/
		/----*Non-distributable*----			/	*Distributable*	
	Note	Share capital RM'000	Share premium RM'000	Fair value reserve RM'000	Goodwill written off reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2013							
As previously stated		117,000	34,000	-	(47,732)	1,386,400	1,489,668
Effect of amendments to MFRS 119 (revised)		-	-	-	-	(1,639)	(1,639)
At 1 January 2013, restated		117,000	34,000	-	(47,732)	1,384,761	1,488,029
Profit/Total comprehensive income for the period		-	-	-	-	198,396	198,396
Distributions to owners of the Company							
- Dividends	23	-	-	-	-	(170,802)	(170,802)
Total transactions with owners of the Company		-	-	-	-	(170,802)	(170,802)
At 30 June 2013		117,000	34,000	-	(47,732)	1,412,355	1,515,623

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A Historical Financial Information of WHB Group

Consolidated statements of cash flows for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Cash flows from operating activities				
Profit before tax	385,593	365,054	434,673	251,944
Adjustments for:				
Amortisation of dredging expenditure	12,703	3,178	5,531	1,920
Amortisation of concession assets	39,501	41,072	43,311	25,249
Depreciation of property, plant and equipment	65,355	70,768	64,391	33,678
Loss/(Gain) on disposal of property, plant and equipment	4,383	6,735	(686)	(1,650)
Property, plant and equipment written off	-	-	364	311
Concession assets written off	-	-	4,914	781
Finance costs – concession liability	28,126	27,118	26,058	12,471
Finance costs – borrowings	21,719	27,755	30,801	15,785
Finance income	(7,196)	(6,977)	(7,119)	(4,789)
Provision for retirement benefits	-	4,229	416	256
Gain on available-for-sale financial assets	-	(1,786)	(3,068)	(355)
Reversal of provision for quit rent	-	-	-	(32,575)
Operating profit before working capital changes	550,184	537,146	599,586	303,026
Changes in working capital:				
Trade and other receivables	(13,404)	(12,151)	10,591	(14,033)
Trade and other payables	(13,725)	22,749	56,060	(38,019)
Cash generated from operations	523,055	547,744	666,237	250,974
Income tax paid	(41,886)	(56,399)	(35,223)	(30,567)
Retirement benefits paid	(286)	(74)	(75)	(1)
Net cash generated from operating activities	480,883	491,271	630,939	220,406
Cash flows from investing activities				
Interest received	7,196	6,977	7,119	4,789
Payment of dredging expenditure	(1,653)	(7,724)	(382)	(1,312)
Proceeds from disposal of property, plant and equipment	2,056	7,819	1,001	1,650
Purchase of property, plant and equipment	(46,309)	(207,087)	(161,348)	(90,625)
Additions to concession assets	(22,586)	(291,762)	(286,436)	(109,778)
(Purchase)/Usage of spares, net	(538)	511	542	(1,013)
Concession assets cost reimbursement from Government of Malaysia	-	-	170,856	70,034
Changes in fair value of available-for-sale financial assets	-	3,429	1,425	355
Net cash used in investing activities	(61,834)	(487,837)	(267,223)	(125,900)

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A Historical Financial Information of WHB Group

Consolidated statements of cash flows for the years ended 31 December 2010, 2011, 2012 and period ended 30 June 2013 (continued)

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Cash flows from financing activities				
Fixed deposits pledged for borrowings	(331)	(9,239)	(677)	(6,520)
Interest paid	(21,719)	(28,827)	(42,309)	(17,369)
Repayment of finance lease principal	(29,400)	-	-	-
Redemption of borrowings	-	(100,000)	(100,000)	(245,000)
Proceeds from borrowings	-	450,000	-	250,000
Dividends paid to shareholders	(131,933)	(300,000)	(199,602)	(170,802)
Annual lease paid for use of port infrastructures and facilities	(47,318)	(47,318)	(47,318)	(24,533)
Net cash used in financing activities	(230,701)	(35,384)	(389,906)	(214,224)
Net increase/(decrease) in cash and cash equivalents	188,348	(31,950)	(26,190)	(119,718)
Cash and cash equivalents at 1 January	174,726	363,074	331,124	304,934
Cash and cash equivalents at 31 December/30 June	363,074	331,124	304,934	185,216

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Cash and bank balances	8	83,074	44,744	68,334	55,216
Fixed deposits with licensed banks	8	290,676	69,915	257,192	157,112
Investment in money market funds	6	-	236,380	-	-
		373,750	351,039	325,526	212,328
Less: Pledged deposits	8	(10,676)	(19,915)	(20,592)	(27,112)
		363,074	331,124	304,934	185,216

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A Historical Financial Information of WHB Group

Notes to the consolidated financial statements

This consolidated financial statements of Westports Holdings Berhad ("the Company") and its subsidiaries as disclosed in Note 24 (together referred to as "the Group" and individually referred to as "Group entities") have been prepared solely in connection with the initial public offering and listing of and quotation for the entire issued and paid up share capital of WHB.

The consolidated financial statements of WHB comprise the Company and its subsidiaries as disclosed in Note 24.

1. Basis of preparation

(a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with MFRSs and IFRSs. These are the Group's first financial statements prepared in accordance with MFRSs and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied.

In the previous financial years, the financial statements of the Group were prepared in accordance with Private Entity Reporting Standards ("PERSs") in Malaysia.

The following are the accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*
- Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*

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1. **Basis of preparation (continued)**

   (a) **Statement of compliance (continued)**

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- *MFRS 9, Financial Instruments (2009)*
- MFRS 9, *Financial Instruments (2010)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Mandatory Date of MFRS 9 and Transition Disclosures*

The Group plans to apply the abovementioned standards, amendments and interpretations:

- from the annual period beginning on 1 January 2014 for those standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2014.

- from the annual period beginning on 1 January 2015 for those standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2015.

Material impacts of initial application of a standard, an amendment or an interpretation that have been issued by the MASB but have not yet been adopted by the Group are discussed below:

MFRS 9, *Financial Instruments*
MFRS 9 replaces the guidance in MFRS 139, *Financial Instrument: Recognition and Measurement* on the classification and measurement of financial assets. Upon the adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 9.

The initial application of the other standards, amendments and interpretations are not expected to have any material financial impacts on the consolidated financial statements of the Group.

   (b) **Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

   (c) **Functional and presentation currency**

These consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

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A Historical Financial Information of WHB Group

1. **Basis of preparation (continued)**

(d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 5 – Amortisation of concession assets
- Note 11 – Employee benefits
- Note 14 – Provision for concession liability
- Note 15.1 – Construction revenue of port related infrastructures
- Note 26.4 – Impairment of financial assets - receivables
- Note 26.7 – Fair value of financial instruments

(e) Change in accounting policy

Defined benefit plans

The Group has adopted MFRS 119, *Employee Benefits (2011)* with a date of initial application of 1 January 2013 and changed its basis for recognising actuarial gains and losses related to defined benefit plans.

As a result of the adoption, all actuarial gains and losses is recognised immediately in other comprehensive income. The 'corridor method' allowed under the previous standard under which recognition of actuarial gains and losses could be deferred, has been eliminated.

The change in accounting policy has been applied retrospectively.

The following table summarises the financial effects on the statement of financial position upon implementation of the new accounting policy:

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A Historical Financial Information of WHB Group

1. Basis of preparation (continued)

(e) Change in accounting policy (continued)

Defined benefit plans (continued)

	Employee benefits RM'000	Retained earnings RM'000
Balance as reported at 1 January 2011	3,199	1,208,569
Effect of adoption on 1 January 2011	1,639	(1,639)
Restated balance at 1 January 2011	4,838	1,206,930
Balance as reported at 1 January 2012	7,354	1,225,042
Effect of adoption on 1 January 2011	1,639	(1,639)
Restated balance at 1 January 2012	8,993	1,223,403
Balance as reported at 31 December 2012	7,695	1,386,400
Effect of adoption on 1 January 2011	1,639	(1,639)
Restated balance at 31 December 2012	9,334	1,384,761

The change in accounting policy had no impact on the statement of profit or loss and other comprehensive income.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and in preparing the opening MFRS statements of financial position of the Group at 1 January 2010 (the transition date to MFRS framework), unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Company. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

A Historical Financial Information of WHB Group

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions on or after 1 January 2011

For acquisitions on or after 1 January 2011, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Acquisitions before 1 January 2011

As part of its transition to MFRSs, the Group elected not to restate those business combinations that occurred before the date of transition to MFRSs, i.e. 1 January 2011. Goodwill or goodwill deducted from equity arising from acquisitions before 1 January 2011 has been carried forward from the previous PERSs framework as at the date of transition.

(iii) Acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

A Historical Financial Information of WHB Group

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency transaction

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

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A Historical Financial Information of WHB Group

2. Significant accounting policies (continued)

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or financial liability is recognised in the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group categorises financial instruments as follows:

Financial assets

(a) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market and also includes trade and other receivables and cash and cash equivalents.

Financial assets with fixed and determinable payments that are not quoted in active market categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

2. **Significant accounting policies (continued)**

(c) **Financial instruments (continued)**

(ii) **Financial instrument categories and subsequent measurement (continued)**

*(b) **Available-for-sale financial assets***

Available-for-sale category comprises investment in equity and debts securities instruments that are not held for trading and also includes investment in money market funds.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for debt instrument using the effective interest method is recognised in profit or loss.

Loans and receivables and available-for-sale financial assets are subject to review for impairment (See note 2(i)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

A Historical Financial Information of WHB Group

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss.

The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

• Plant, machinery and equipment	5 to 30 years
• Motor vehicles	5 to 7 years
• Office equipment, furniture and fittings	3 to 10 years

Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Spares are not depreciated and are charged to profit or loss upon usage.

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

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2. Significant accounting policies (continued)

(e) Concession assets

(i) Recognition and measurement

(a) Service concession arrangement

Pursuant to a privatisation agreement signed between a subsidiary namely, WMSB and the Government of Malaysia ("GOM") and Port Klang Authority ("PKA"), the subsidiary is granted a license to provide port services for an initial period of 30 years with an additional 30 years upon the fulfilment of the terms and conditions as set out under the supplemental privatisation agreement, primarily on commitments to construct and operationalise certain additional port infrastructures and facilities in respect of the subject port. In addition, such extended and supplemental arrangements may result in consequent re-basing of lease payments to reflect prevailing arrangements and conditions.

The Group recognises concession assets arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructures and facilities. Concession assets received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition. Subsequent to initial recognition, the concession assets are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of concession assets in a service concession arrangement is the concession period extended to the Group (as disclosed in Note 2(e)(i)(b) and Note 2(e)(iii)).

The Group recognised port infrastructure and facilities as concession assets which include land reclamation, terminals, buildings, warehouse, paved areas, landscaping and certain assets under constructions.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

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2. Significant accounting policies (continued)

(e) Concession assets (continued)

(i) Recognition and measurement (continued)

(b) Annual lease payments for the use of port infrastructures and facilities

The Group recognised concession assets (and related provision for concession liability) arising from lease rental payable for the relevant port infrastructures and facilities under the privatisation agreement at fair value on the first day of service concession arrangement or where impracticable, on the earliest period presented, arising from the adoption of IC Interpretation 12.

The concession assets arising from the above are amortised over the relevant concession period.

Upon initial recognition, the concession assets are measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the concession assets are accounted for in accordance with the accounting policy applicable to concession assets.

Minimum lease payments made are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the concession period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Subsequent costs

When significant parts of concession assets are required to be replaced in intervals, the Group recognises such parts as individual assets at cost with specific useful lives and depreciation, respectively.

(iii) Amortisation

Concession assets (other than annual lease payments for the use of land and facilities as disclosed in Note 2(e)(i)(b)) are amortised over the extended concession period. The initial concession period is 30 years ending 2024 and an additional period of 30 years is upon the fulfilment of the terms and conditions as set out under the supplemental privatisation agreement. Amortisation on assets under construction included in concession assets commences only when the assets are ready for their intended use and are amortised over the remaining concession period.

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2. Significant accounting policies (continued)

(e) Concession assets (continued)

(iv) Determination of fair values

The fair value of a concession asset received as consideration for providing construction services in a service concession arrangement is estimated by reference to the fair value of the construction services provided. The fair value is calculated as the estimated total construction cost plus a profit margin, which the Group evaluates and determined to be a reasonable margin earned.

When the Group receives a concession asset and a financial asset as consideration for providing construction services in a service concession arrangement, the Group estimates the fair value of concession assets as the difference between the fair value of the construction services provided and the fair value of the financial asset received.

(f) Leased assets

(i) Finance lease

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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2. Significant accounting policies (continued)

(f) Leased assets (continued)

(ii) Operating lease

Leases, where the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases and, the leased assets are not recognised in the statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(h) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Ordinary shares are classified as equity.

(i) Impairment

(i) Financial assets

All financial assets are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the financial asset's recoverable amount is estimated.

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2. Significant accounting policies (continued)

(i) Impairment (continued)

(i) Financial assets (continued)

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

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2. Significant accounting policies (continued)

(i) Impairment (continued)

(ii) Other assets

The carrying amounts of other assets (except for deferred tax assets) are reviewed at the end of each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amount of other assets in the cash-generating unit (groups of cash-generating units) on a pro-rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

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2. Significant accounting policies (continued)

(j) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related services is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contribution to statutory pension funds is charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

The Group determines the present value of the defined benefit obligation and fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at reporting date of government securities which have currency and terms to maturity approximating the terms of the related liability.

The Group has a defined benefit plan, the benefit of which is payable upon retirement, calculated by reference to length of service and the employees' estimated retirement basic salary. The liability in respect of the defined benefit plan recognised as at 31 December 2010, 2011, 2012 and 30 June 2013 is the present value of the defined benefit obligation at the reporting date. As at 31 December 2010, 2011, 2012 and 30 June 2013, the defined benefit plan is unfunded.

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2. Significant accounting policies (continued)

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligations.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that the reimbursement will be received if the entity settles the obligation. The reimbursement shall be presented as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. In the statement of profit or loss and other comprehensive income, the expense relating to a provision is presented net of the amount recognised for a reimbursement.

(l) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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2. Significant accounting policies (continued)

(m) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unutilised reinvestment allowance and investment tax allowance, being tax incentive that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

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2. Significant accounting policies (continued)

(n) Revenue and other income

(i) Service concession arrangement

Service revenue is recognised in the profit or loss upon the performance of services in respect of port operations, net of discounts at the end of the reporting period.

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed.

(ii) Rental income

Rental income is recognised in the profit or loss as it accrues, in accordance with the substance of the relevant agreements.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(o) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

Where it is not probable that an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statement of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

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2. Significant accounting policies (continued)

(p) Earnings per ordinary share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

(q) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Board of Directors of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

3. Service concession arrangement

On 25 July 1994, a subsidiary of the Group, WMSB entered into a privatisation agreement with PKA and GOM (collectively, PKA and the GOM are known as the "Grantor"). The agreement ("Privatisation Agreement") provides the subsidiary with the licence to operate the port and to lease the said port property. Under the terms of the agreement, the subsidiary will operate the port for a period of 30 years, commencing from 1 September 1994 ("Take-over Date").

The Group has the right to charge the users of the port for services rendered, which the Group will collect and retain; however, the fees are capped subject to the tariffs for port services as determined by PKA and GOM. At the end of the concession period, the relevant port infrastructures and facilities will revert to the Grantor and the Group will have no further involvement in its operation and maintenance requirements.

As consideration to lease the said port property from PKA and GOM, the subsidiary has agreed to the annual base lease rentals and profit sharing payments at agreed terms.

A supplementary privatisation agreement dated 27 March 1999 and the second supplemental agreement dated 15 February 2010 was entered into in connection with the Privatisation Agreement.

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3. Service concession arrangement (continued)

The supplementary privatisation agreement primarily provides for a moratorium of 5 years and 7 years in respect of the respective specified annual base lease rental payments; the expanded development plan of the port; incremental revision of the annual base lease rentals and certain clarifications to the existing terms and definitions of the Privatisation Agreement.

The terms of the second supplemental agreement primarily provides for an additional concession period of 30 years; revision of the terms of the profit sharing payments and certain clarifications and/or additions to the existing terms and definitions of the Privatisation Agreement and supplementary privatisation agreement. The additional concession period of 30 years will commence on the day after the 30th anniversary of the Take-over Date upon the fulfilment of the following conditions:-

a) completion of land reclamation works for container terminal ("CT") no. 6 to no. 9 on or before 1 January 2014; and

b) completion of construction works for the CT no. 6 and for it to be operationalised on or before 1 January 2014.

The Grantor may terminate the service concession agreement by giving not less than 3 calendar months' notice to that effect to the Group (without any obligation to give any reason thereof) if it considers that such termination is necessary for national interest, in the interest of national security or for the purpose of Government policy or public policy. Upon such termination, the Group shall be entitled to compensation which shall be determined by an independent auditor appointed by the GOM after due consultation with PKA.

On 25 April 2013, a second supplementary lease agreement was entered into between PKA and WMSB. The second supplementary lease agreement provided for general covenants and the obligation to pay quit rent for the specified leased areas effective from financial year 2010.

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4. Property, plant and equipment

	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Assets under construction RM'000	Spares RM'000	Total RM'000
Cost						
At 1 January 2010	1,279,112	11,754	34,804	2,930	7,910	1,336,510
Additions	-	-	-	39,399	46,177	85,576
Disposals	(16,243)	(1,367)	(1,886)	-	-	(19,496)
Transfers	12,619	839	4,615	(18,073)	-	-
Usage	-	-	-	-	(45,639)	(45,639)
At 31 December 2010/ 1 January 2011	1,275,488	11,226	37,533	24,256	8,448	1,356,951
Additions	-	-	630	206,457	63,924	271,011
Disposals	(33,304)	(757)	(3,085)	(2,104)	-	(39,250)
Transfers	209,150	3,761	2,186	(215,097)	-	-
Usage	-	-	-	-	(64,435)	(64,435)
Borrowing cost	1,371	-	-	(1,371)	-	-
At 31 December 2011/ 1 January 2012	1,452,705	14,230	37,264	12,141	7,937	1,524,277
Additions	4,600	609	486	155,653	71,599	232,947
Disposals	(1,038)	(613)	(7,790)	-	-	(9,441)
Write off	(522)	-	(3)	(159)	-	(684)
Transfers	107,886	197	1,406	(111,075)	1,586	-
Usage	-	-	-	-	(72,141)	(72,141)
Borrowing cost	352	-	-	-	-	352
At 31 December 2012/ 1 January 2013	1,563,983	14,423	31,363	56,560	8,981	1,675,310
Additions	53	-	57	90,134	36,138	126,382
Disposals	(3,434)	-	-	-	-	(3,434)
Write off	-	-	-	(311)	-	(311)
Reclassification	-	-	-	(637)	-	(637)
Transfers	104,612	342	1,286	(106,240)	-	-
Usage	-	-	-	-	(35,125)	(35,125)
Borrowing cost	-	-	-	381	-	381
At 30 June 2013	1,665,214	14,765	32,706	39,887	9,994	1,762,566

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4. Property, plant and equipment (continued)

	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Assets under construction RM'000	Spares RM'000	Total RM'000
Accumulated depreciation						
At 1 January 2010	498,248	6,992	22,663	-	-	527,903
Depreciation for the year	59,355	1,594	4,406	-	-	65,355
Disposals	(10,515)	(1,247)	(1,296)	-	-	(13,058)
At 31 December 2010/ 1 January 2011	547,088	7,339	25,773	-	-	580,200
Depreciation for the year	64,681	1,738	4,349	-	-	70,768
Disposals	(22,993)	(757)	(947)	-	-	(24,697)
At 31 December 2011/ 1 January 2012	588,776	8,320	29,175	-	-	626,271
Depreciation for the year	60,054	1,210	3,127	-	-	64,391
Disposals	(904)	(587)	(7,635)	-	-	(9,126)
Write off	(319)	-	-	-	-	(319)
At 31 December 2012/ 1 January 2013	647,607	8,943	24,667	-	-	681,217
Depreciation for the period	31,791	604	1,283	-	-	33,678
Disposals	(3,434)	-	-	-	-	(3,434)
At 30 June 2013	675,964	9,547	25,950	-	-	711,461
Carrying amounts						
At 1 January 2010	780,864	4,762	12,141	2,930	7,910	808,607
At 31 December 2010	728,400	3,887	11,760	24,256	8,448	776,751
At 31 December 2011	863,929	5,910	8,089	12,141	7,937	898,006
At 31 December 2012	916,376	5,480	6,696	56,560	8,981	994,093
At 30 June 2013	989,250	5,218	6,756	39,887	9,994	1,051,105

Borrowing cost capitalised to property, plant and equipment amounting to RM380,779 (31.12.2012: RM352,203; 31.12.2011: RM1,371,000; 31.12.2010: Nil) with profit rate at 4.50% (31.12.2012: 5.25%; 31.12.2011: 5.25%; 31.12.2010: Nil) per annum.

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4. Property, plant and equipment (continued)

4.1 Changes in estimates

During the year ended 31 December 2012, the Group conducted an operational efficiency review, which resulted in changes in the expected usage of certain items of plant and equipment. As a result, the expected useful lives of these assets increased. The effect of these changes on depreciation expense, recognised in cost of sales, in current and future periods is as follows:

	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000	2016 RM'000	Later RM'000
(Decrease)/Increase in depreciation expense	(13,103)	(8,736)	(2,902)	1,644	5,418	17,679

5. Concession assets

	Leased port infrastructures and facilities RM'000	Port infrastructures and facilities RM'000	Assets under construction RM'000	Total RM'000
Cost				
At 1 January 2010	552,383	1,016,544	11,100	1,580,027
Additions	-	-	29,496	29,496
Transfers	-	7,483	(7,483)	-
At 31 December 2010/ 1 January 2011	552,383	1,024,027	33,113	1,609,523
Additions	-	-	291,762	291,762
Transfers	-	136,704	(136,704)	-
Borrowing cost	-	1,988	1,742	3,730
At 31 December 2011/ 1 January 2012	552,383	1,162,719	189,913	1,905,015
Additions	-	8,818	106,762*	115,580
Transfers	-	133,402	(133,402)	-
Borrowing cost	-	-	4,771	4,771
Write off	-	(245)	(4,669)	(4,914)
At 31 December 2012/ 1 January 2013	552,383	1,304,694	163,375	2,020,452
Additions	-	-	39,346*	39,346
Transfers	-	58,552	(58,552)	-
Write off	-	-	(781)	(781)
Reclassification	-	-	637	637
Borrowing cost	-	-	398	398
At 30 June 2013	552,383	1,363,246	144,423	2,060,052

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5. Concession assets (continued)

	Leased port infrastructures and facilities RM'000	Port infrastructures and facilities RM'000	Assets under construction RM'000	Total RM'000
Accumulated amortisation				
At 1 January 2010	18,189	194,232	-	212,421
Amortisation for the year	18,189	21,312	-	39,501
At 31 December 2010/ 1 January 2011	36,378	215,544	-	251,922
Amortisation for the year	18,189	22,883	-	41,072
At 31 December 2011/ 1 January 2012	54,567	238,427	-	292,994
Amortisation for the year	18,189	25,122	-	43,311
At 31 December 2012/ 1 January 2013	72,756	263,549	-	336,305
Amortisation for the period	9,094	16,155	-	25,249
At 30 June 2013	81,850	279,704	-	361,554
Carrying amounts				
At 1 January 2010	534,194	822,312	11,100	1,367,606
At 31 December 2010	516,005	808,483	33,113	1,357,601
At 31 December 2011	497,816	924,292	189,913	1,612,021
At 31 December 2012	479,627	1,041,145	163,375	1,684,147
At 30 June 2013	470,533	1,083,542	144,423	1,698,498

* Included in current period additions are current period costs incurred of RM109,380,610 (31.12.2012: RM277,618,348; 31.12.2011: Nil; 31.12.2010: Nil) net of cost reimbursement amounting to RM70,034,262 (31.12.2012: RM170,856,383; 31.12.2011: Nil; 31.12.2010: Nil) received during the period arising from the facilitation fund agreement between GOM, Bank Pembangunan Malaysia Berhad and the subsidiary of the Group, WMSB.

Borrowing cost capitalised to concession assets amounting to RM398,362 (31.12.2012: RM4,770,887; 31.12.2011: RM3,730,000; 31.12.2010: Nil) with profit rate at 4.50% (31.12.2012: 5.25%; 31.12.2011: 5.25%; 31.12.2010: Nil) per annum.

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6. Available-for-sale financial assets

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Investment in money market funds, at fair value	-	236,380	-	-

7. Trade and other receivables

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Trade					
Trade receivables		200,575	211,105	201,312	209,462
Non-trade					
Other receivables	7.1	3,149	4,640	3,576	12,293
Deposits		701	728	731	738
Prepayments		3,709	3,811	4,074	1,233
Deferred expenditure	7.2	1,569	6,115	966	358
		9,128	15,294	9,347	14,622
		209,703	226,399	210,659	224,084

7.1 Included in other receivables are investments in club membership amounting to RM1,850,000 (31.12.2012: RM1,850,000; 31.12.2011: RM1,850,000; 31.12.2010: RM1,850,000).

7.2 Deferred expenditure relates to dredging costs incurred for deepening or extension of wharf and berth in order to allow access of larger vessels. The expenditure is amortised over the respective intended usage period ranging from 18 to 24 months or until the next dredging cycle, whichever is earlier and is classified as current based on the expected normal operating cycle.

8. Cash and cash equivalents

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Cash and bank balances	83,074	44,744	68,334	55,216
Fixed deposits with licensed banks	290,676	69,915	257,192	157,112
	373,750	114,659	325,526	212,328

Fixed deposits with licensed banks include pledged deposits of RM27,112,332 (31.12.2012: RM20,592,239; 31.12.2011: RM19,914,783; 31.12.2010: RM10,676,008) as securities for the Sukuk Musharakah Medium Term Note programmes of the subsidiary (Note 10).

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9. Share capital and reserves

	31.12.2010 Amount RM'000	31.12.2010 Number of shares '000	31.12.2011 Amount RM'000	31.12.2011 Number of shares '000	31.12.2012 Amount RM'000	31.12.2012 Number of shares '000	30.6.2013 Amount RM'000	30.6.2013 Number of shares '000
Authorised:								
Ordinary shares of RM1 each	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Issued and fully paid:								
Ordinary shares of RM1 each	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share of meetings of the Company.

Share premium

This reserve comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

Goodwill written-off reserve

This reserve relates to goodwill written-off arising from the acquisition of its subsidiary, measured at cost. The amount has been carried forward from the previous PERS framework as allowed under MFRS as at the date of transition as further explained in Note 2(a)(ii).

Section 108 tax credit

The Finance Act, 2007 introduced a single tier company income tax system with effect from year of assessment 2008. The Company has adopted the single tier income tax system in the financial year ended 31 December 2009.

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10. Borrowings

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Non-current					
Sukuk Musharakah Medium Term Note I	a	345,000	245,000	-	-
Sukuk Musharakah Medium Term Note II	b	-	450,000	450,000	700,000
		345,000	695,000	450,000	700,000
Current					
Sukuk Musharakah Medium Term Note I	a	100,000	100,000	245,000	-

Notes:

a) Sukuk Musharakah Medium Term Note I ("SMTN I") – representing a 15-years Sukuk Musharakah Medium Term Note programme with an initial draw down of RM445 million on 7 March 2008. This initial draw down is repayable in 3 annual tranches from 7 March 2011 to 7 March 2013. The SMTN I is available for issuance of aggregate nominal value of RM800 million. The profit rates ranges from 4.17% to 4.54% per annum. The financing is secured over the amount maintained in Profit Service Reserve Account, Disbursement Account and Sinking Fund Account with the lender as disclosed in Note 8.

During the reporting period for the six months ended 30 June 2013 , WMSB has fully redeemed the outstanding balance of RM245 million in respect of SMTN I.

b) Sukuk Musharakah Medium Term Note II ("SMTN II") – representing a 20-years Sukuk Musharakah Medium Term Note programme with an initial draw down of RM450 million on 3 May 2011. This initial draw down is repayable in 6 annual tranches from 3 May 2021 to 3 May 2026. The SMTN II is available for issuance of aggregate nominal value of RM2.0 billion. The profit rates ranges from 4.95% to 5.38% per annum.

On 1 April 2013, an additional RM250 million of SMTN II was drawndown and is repayable in 4 tranches from 1 April 2025 to 1 April 2028. The profit rates ranges from 4.43% to 4.58% per annum.

SMTN II has been implemented on a clean basis and certain pledged deposits are maintained in the Finance Service Reserve Account with the lender as disclosed in Note 8.

Covenant

The SMTN I and SMTN II collectively are subject to certain positive and negative undertakings and the primary financial covenants are as follows:-

(i) Financial service cover ratio of WMSB shall not be less than 1.25 times; and

(ii) Finance to equity ratio of WMSB shall not exceed 2.0 times.

WMSB is required to maintain a minimal rating of $AA+_{IS}$ during the tenor of SMTN I and SMTN II. The subsidiary attained a rating of $AA+_{IS}$ from Malaysia Rating Corporation Berhad since January 2008 with the last rating review carried out in April 2013.

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11. Employee benefits

	31.12.2010 RM'000 Restated	31.12.2011 RM'000 Restated	31.12.2012 RM'000 Restated	30.6.2013 RM'000
Present value of unfunded obligations				
Provision for retirement benefit	4,838	8,993	9,334	9,589

The Group operates a defined benefit plan for its eligible employees. The obligations under the retirement benefit scheme are determined based on the latest available actuarial valuation by a qualified independent actuary.

Principal assumptions at the end of the reporting periods are as follows:

	31.12.2010	31.12.2011	31.12.2012	30.6.2013
Discount rate	6%	6%	5.5%	5.5%
Expected annual salary increment rate	7%	7%	7%	7%

Movements in the present value of defined benefit obligation:

	31.12.2010 RM'000 Restated	31.12.2011 RM'000 Restated	31.12.2012 RM'000 Restated	30.6.2013 RM'000
Defined benefit obligations at 1 January	5,124	4,838	8,993	9,334
Expenses recognised in profit or loss	-	4,229	416	256
Retirement benefits paid	(286)	(74)	(75)	(1)
Defined benefit obligations	4,838	8,993	9,334	9,589

The defined benefit plan was frozen on 31 August 2004. Subsequent to 31 August 2004, no new participants are introduced to the defined benefit plan. Employees under the defined benefit plan continue to be eligible for its retirement benefits but computations of their length of service years with the Group is only until 31 August 2004.

12. Deferred tax liabilities

The deferred tax amounts, determined after appropriate offsetting, are as follows:

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Deferred tax liabilities	191,849	221,894	236,434	244,514
Deferred tax assets	(13,365)	(16,534)	(16,635)	(14,222)
	178,484	205,360	219,799	230,292

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12. Deferred tax liabilities (continued)

Movement in deferred tax assets and liabilities (prior to offsetting of balances) of the Group during the years are as follows:

	At 1.1.2010 RM'000	Recognised in profit or loss RM'000	At 31.12.2010/ 1.1.2011 RM'000	Recognised in profit or loss RM'000	At 31.12.2011/ 1.1.2012 RM'000	Recognised in profit or loss RM'000	At 31.12.2012/ 1.1.2013 RM'000	Recognised in profit or loss RM'000	At 30.6.2013 RM'000
Deferred tax liabilities									
Accelerated capital allowances	148,399	43,057	191,456	28,977	220,433	15,760	236,193	8,232	244,425
Deferred expenditure	3,155	(2,762)	393	1,068	1,461	(1,220)	241	(152)	89
Total	151,554	40,295	191,849	30,045	221,894	14,540	236,434	8,080	244,514
Deferred tax assets									
Provisions	10,152	3,213	13,365	3,169	16,534	101	16,635	(2,413)	14,222

Deferred tax liabilities and assets above are offset as there is a legally enforceable right to set off current tax assets against current tax liabilities and that the deferred taxes relate to the same taxation authority and entity.

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13. Trade and other payables

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Non-current					
Trade payables		13,030	-	-	-
Current					
Trade					
Trade payables		58,883	49,778	97,880	63,793
Accrued expenses	13.1	84,838	99,016	98,048	43,901
Provisions	13.2	38,301	49,824	53,208	45,628
		182,022	198,618	249,136	153,322
Non-trade					
Other payables		25,805	45,812	43,104	58,629
Accrued expenses	13.3	20,410	22,245	24,110	32,221
		228,237	266,675	316,350	244,172

13.1 Included in trade – accrued expenses are:

(i) Deferred revenue for sub-lease of land and building with various lessees amounting to RM7.72 million (31.12.2012: RM7.77 million; 31.12.2011: RM6.86 million; 31.12.2010: RM7.45 million).

(ii) Quit rent payable to the port authority amounting to RM15.79 million (31.12.2012: RM68.26 million; 31.12.2011: RM73.05 million; 31.12.2010: RM64.56 million). On 25 April 2013, the Second Supplementary Lease Agreement was signed between PKA and WMSB. The Second Supplementary Lease Agreement provided for general covenants and the obligation to pay quit rent for the specified leased areas effective from financial year 2010, resulting in a reversal of RM32.58 million provision that relates to years prior to financial year 2010 during the financial period.

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13. Trade and other payables (continued)

13.2 Provisions mainly comprise of payables to various external parties relating to marketing activities. The movements in the provisions during the reporting period were as follows:

	RM'000
At 1 January 2010	23,383
Provisions made	66,202
Payments made	(51,284)
At 31 December 2010/1 January 2011	38,301
Provisions made	92,163
Payments made	(80,640)
At 31 December 2011/1 January 2012	49,824
Provisions made	98,996
Payments made	(95,612)
At 31 December 2012/1 January 2013	53,208
Provisions made	55,610
Payments made	(63,190)
At 30 June 2013	45,628

13.3 Included in non-trade accrued expenses are:

(i) Management fees amounting to RM15.26 million (31.12.2012: RM14.67 million; 31.12.2011: RM13.75 million; 31.12.2010: RM12.51 million) payable to a corporate shareholder, Pembinaan Redzai Sdn. Bhd. (as disclosed in Note 30).

(ii) Profit sharing expenses (Supplementary lease payment) payable to the port authority amounting to RM4.06 million (31.12.2012: RM8.13 million; 31.12.2011: RM7.53 million; 31.12.2010: RM6.61 million).

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14. Provision for concession liability

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
At 1 January	535,730	516,538	496,338	475,078
Finance costs	28,126	27,118	26,058	12,471
Payment of lease rental	(47,318)	(47,318)	(47,318)	(24,533)
	516,538	496,338	475,078	463,016
Minimum lease payments:				
Less than one year	47,318	47,318	49,066	49,066
Between one and five years	245,418	249,001	250,836	255,806
More than five years	465,074	414,173	363,272	333,769
Less: Future finance costs	(241,272)	(214,154)	(188,096)	(175,625)
	516,538	496,338	475,078	463,016
Analysed as:				
Due within twelve months	47,318	47,318	49,066	49,066
Due after twelve months	469,220	449,020	426,012	413,950
	516,538	496,338	475,078	463,016

15. Revenue

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Port operations		942,772	1,084,076	1,196,079	627,000
Rental income – land and buildings		32,182	31,254	30,086	15,758
Construction revenue	15.1	23,594	272,044	266,097	107,326
		998,548	1,387,374	1,492,262	750,084

15.1 Construction revenue represents the revenue recorded in accordance with IC Interpretation 12 related to the construction of port related infrastructures under the privatisation agreements and is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy as disclosed in Note 2(n)(i).

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16. Results from operating activities

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Results from operating activities are arrived at after charging:				
Personnel expenses (including key management personnel):				
- Contribution to defined retirement benefit plan	-	4,229	416	256
- Contribution to state plans	13,521	15,583	17,513	9,237
- Wages, salaries and bonus	110,738	136,322	153,728	77,681
- Other employee benefits	1,326	1,582	1,741	908
Rental expense in respect of:				
- Premises	63	190	188	94
- Equipment	24,809	30,670	31,742	15,797
Loss on disposal of property, plant and equipment	4,383	6,735	-	-
Property, plant and equipment written off	-	-	364	311
Concession assets written off	-	-	4,914	781
Net realised foreign exchange loss	98	87	-	5
Amortisation of dredging expenditure	12,703	3,178	5,531	1,920
Profit sharing expense/ Supplementary lease payment	6,675	7,607	8,197	4,145
and after crediting:				
Gain on disposal of property, plant and equipment	-	-	686	1,650
Rental income from sub-lease of land and building	32,182	31,254	30,086	15,758
Net realised foreign exchange gain	-	-	813	-
Gain on available-for-sale financial assets	-	-	1,643	355
Reversal of provision for quit rent	-	-	-	32,575

17. Key management personnel compensation

Key management personnel are those Group personnel having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group. The key management personnel compensation are as follows:

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Directors' fees	1,120	1,140	1,140	570

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18. Finance income

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Interest income of financial assets that are not at fair value through profit or loss				
Fixed deposits interest	7,109	6,861	6,180	4,098
Staff loan interest	87	116	103	47
Other interest	-	-	836	644
	7,196	6,977	7,119	4,789

19. Finance costs

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss				
Borrowings – SMTN I and SMTN II	19,643	26,922	30,527	15,785
Hire purchase and finance lease	1,199	-	-	-
Bank overdraft and commitment fees	877	833	274	-
Finance costs – concession liability	28,126	27,118	26,058	12,471
	49,845	54,873	56,859	28,256
Recognised in profit or loss	49,845	54,873	56,859	28,256
Capitalised on qualifying assets:				
- Property, plant and equipment	-	1,371	352	381
- Concession assets	-	3,730	4,771	398
	49,845	59,974	61,982	29,035

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20. Tax expense

	Note	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Recognised in profit or loss					
Current tax expense					
- Current		63,628	22,652	60,181	43,055
- Under/(Over) provision in prior years		28	(947)	(908)	-
Deferred tax expense					
- Origination and reversal of temporary differences		29,382	25,193	14,930	10,182
- Under/(Over) provision in prior years		7,699	1,683	(490)	311
		100,737	48,581	73,713	53,548
Reconciliation of tax expense					
Profit before tax		385,593	365,054	434,673	251,944
Income tax calculated using Malaysian tax rate of 25%		96,398	91,264	108,668	62,986
Non-deductible expenses		1,022	3,607	1,962	1,366
Tax incentive	20.1	(18,860)	(47,026)	(35,519)	(11,115)
Recognition of previously unrecognised tax assets		14,450	-	-	-
		93,010	47,845	75,111	53,237
Under/(Over) provision in prior years					
- Current tax expense		28	(947)	(908)	-
- Deferred tax expense		7,699	1,683	(490)	311
		100,737	48,581	73,713	53,548

20.1 On 27 May 2010, a subsidiary, WMSB, has obtained an approval from Ministry of Finance for the Income Tax (Exemption) (No. 12) Order 2006 [PU(A) 113] whereby allowance of 60% is granted on qualifying capital expenditure incurred for a 5 year period and its utilisation is restricted to 70% of the statutory income for a year of assessment. The tax incentive will expire in 2014.

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21. Other comprehensive income

	Before tax RM'000	Tax (expense)/ benefit RM'000	Net of tax RM'000
31 December 2011			
Items that may be reclassified subsequently to profit or loss			
Fair value of available-for-sale financial assets			
- Gains arising during the year	3,429	-	3,429
- Reclassification adjustments for gains included in profit or loss	(1,786)	-	(1,786)
	1,643	-	1,643
31 December 2012			
Items that may be reclassified subsequently to profit or loss			
Fair value of available-for-sale financial assets			
- Gains arising during the year	1,425	-	1,425
- Reclassification adjustments for gains included in profit or loss	(3,068)	-	(3,068)
	(1,643)	-	(1,643)
30 June 2013			
Items that may be reclassified subsequently to profit or loss			
Fair value of available-for-sale financial assets			
- Gains arising during the period	355	-	355
- Reclassification adjustments for gains included in profit or loss	(355)	-	(355)
	-	-	-

22. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share are calculated by dividing the Group's profit attributable to owners of the Company of RM198,396,000 (31.12.2012: RM360,960,000; 31.12.2011: RM316,473,000; 31.12.2010: RM284,856,000) by the weighted average number of ordinary shares outstanding during the financial period of 117,000,000 (31.12.2012: 117,000,000; 31.12.2011: 117,000,000; 31.12.2010: 117,000,000).

Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the current financial period as the Group does not have dilutive instruments.

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23. Dividends

Dividends recognised by the Group are:

	Sen per share	Total amount (RM'000)	Date of payment
31 December 2010			
Final 2009, tax exempt	112.76	131,933	13 May 2010 and 17 September 2010
31 December 2011			
Final 2010, single tier	170.94	200,000	4 May 2011
Interim 2011, single tier	85.47	100,000	10 August 2011
Total amount		300,000	
31 December 2012			
Final 2011, single tier	85.20	99,684	21 May 2012
Interim 2012, single tier	85.40	99,918	29 August 2012
Total amount		199,602	
30 June 2013			
Final 2012, single tier	145.98	170,802	30 May 2013

After the reporting period the following dividend was proposed by the Board of Directors. This dividend will be recognised in subsequent financial period.

	Sen per share	Total amount (RM'000)
Interim 2013, single tier	127.00	148,590

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24. Investments in subsidiaries

Details of the subsidiaries, all of which are incorporated in Malaysia, are as follows:

Name of subsidiaries	**Principal activities**	**Effective ownership interest**			
		31.12.2010	**31.12.2011**	**31.12.2012**	**30.6.2013**
Westports Malaysia Sdn. Bhd.	Port development and management of port operations	100%	100%	100%	100%
Vehicle Transit Centre (Malaysia) Sdn. Bhd.	Storage and transhipment of motor vehicle (Ceased operations and dormant)	100%	100%	100%	100%

The subsidiaries above are audited by KPMG Malaysia.

25. Operating segments

The Board of Directors reviews internal management reports on a monthly basis. Operating segments are components in which separate financial information is available that is evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance of the Group. The Group has identified the business of port development and management of port operations as its sole operating segment.

The Board of Directors does not consider investment holding activities as a reportable segment. For the purpose of segmental reporting, unallocated costs relate to administrative expenses of the holding company. Unallocated assets and liabilities pertain to the holding company's property, plant and equipment, other receivables, cash and cash equivalents, other payables and tax liabilities.

No entity wide geographic information is provided as the Group's activities are carried out predominantly in Malaysia.

Segment profit
Performance is measured based on segment profit before finance income, finance cost and taxation as included in the internal management reports that are reviewed by the Board of Directors.

Segment assets
Segment assets information is not presented regularly to the Board of Directors and hence, no disclosure is made on the segment asset.

Segment liabilities
Segment liabilities information is not presented regularly to the Board of Directors and hence, no disclosure is made on the segment liability.

Segment capital expenditure
Segment capital expenditure information is the total cost incurred during the financial period to acquire and construct property, plant and equipment and concession assets.

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25. Operating segments (continued)

Information about reportable segment

	Port development and management of port operations			
	31.12.2010 RM'000	**31.12.2011 RM'000**	**31.12.2012 RM'000**	**1.1.2013 to 30.6.2013 RM'000**
Reportable segment profit	428,850	413,541	485,010	276,778
Included in the measure of segment profit are:				
Revenue - external customers	974,954	1,115,330	1,226,165	642,758
- construction services to GOM	23,594	272,044	266,097	107,326
Depreciation	65,355	70,768	64,391	33,678
Amortisation	39,501	41,072	43,311	25,249

Reconciliation of reportable segment profit and revenue

	Port development and management of port operations			
	31.12.2010 RM'000	**31.12.2011 RM'000**	**31.12.2012 RM'000**	**1.1.2013 to 30.6.2013 RM'000**
Profit				
Reportable segment	428,850	413,541	485,010	276,778
Non-reportable segment	(608)	(591)	(597)	(1,367)
Finance income	7,196	6,977	7,119	4,789
Finance costs	(49,845)	(54,873)	(56,859)	(28,256)
Consolidated profit before tax	385,593	365,054	434,673	251,944
Revenue				
Reportable segment	998,548	1,387,374	1,492,262	750,084
Non-reportable segment	-	-	-	-
Consolidated revenue	998,548	1,387,374	1,492,262	750,084

Geographical information

The revenues of the Group are from its sole port operations in Malaysia.

All non-current assets of the Group were maintained within Malaysia as at the end of the current period and previous financial year.

Major customers

Revenue from a customer of the Group amounted to RM139,893,000 (31.12.2012: RM279,049,000; 31.12.2011: RM267,417,000; 31.12.2010: RM240,813,000) contributed to more than 10% of the Group's revenues.

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26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Loans and receivables ("L&R")*;
(b) Available-for-sale financial assets ("AFS"); and
(c) Financial liabilities measured at amortised cost ("FL")^.

	Carrying amount RM'000	L&R/ (FL) RM'000	AFS RM'000
31 December 2010			
Financial assets			
Trade and other receivables	202,575	202,575	-
Cash and cash equivalents	373,750	373,750	-
	576,325	576,325	-
Financial liabilities			
Borrowings	(445,000)	(445,000)	-
Trade and other payables	(195,517)	(195,517)	-
	(640,517)	(640,517)	-
31 December 2011			
Financial assets			
Trade and other receivables	214,623	214,623	-
Cash and cash equivalents	114,659	114,659	-
Investment in money market funds	236,380	-	236,380
	565,662	329,282	236,380
Financial liabilities			
Borrowings	(795,000)	(795,000)	-
Trade and other payables	(209,996)	(209,996)	-
	(1,004,996)	(1,004,996)	-

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26. Financial instruments (continued)

26.1 Categories of financial instruments (continued)

	Carrying amount RM'000	L&R/ (FL) RM'000	AFS RM'000
31 December 2012			
Financial assets			
Trade and other receivables	203,769	203,769	-
Cash and cash equivalents	325,526	325,526	-
	529,295	529,295	-
Financial liabilities			
Borrowings	(695,000)	(695,000)	-
Trade and other payables	(255,372)	(255,372)	-
	(950,372)	(950,372)	-
30 June 2013			
Financial assets			
Trade and other receivables	220,643	220,643	-
Cash and cash equivalents	212,328	212,328	-
	432,971	432,971	-
Financial liabilities			
Borrowings	(700,000)	(700,000)	-
Trade and other payables	(190,827)	(190,827)	-
	(890,827)	(890,827)	-

* Excludes investments in club membership, prepayments and deferred expenditure.

^ Excludes provisions for trade rebates and deferred revenue.

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26. Financial instruments (continued)

26.2 Net gains/(losses) arising from financial instruments

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Net gains/(losses) on:				
Available-for-sale financial assets:				
- recognised in other comprehensive income	-	1,643	(1,643)	-
- reclassified from equity to profit or loss	-	1,786	3,068	355
	-	3,429	1,425	355
Loans and receivables:				
- allowances for impairment losses	-	(3,930)	(314)	(261)
- fixed deposits interest	7,109	6,861	6,180	4,098
- staff loan interest	87	116	103	47
	7,196	3,047	5,969	3,884
Financial liabilities measured at amortised cost:				
- borrowings – SMTN I and SMTN II	(19,643)	(26,922)	(30,527)	(15,785)
- hire purchase and finance lease	(1,199)	-	-	-
- bank overdraft and commitment fees	(877)	(833)	(274)	-
- borrowing cost capitalised on qualifying assets	-	(5,101)	(5,123)	(779)
	(21,719)	(32,856)	(35,924)	(16,564)
	(14,523)	(26,380)	(28,530)	(12,325)

26.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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26. Financial instruments (continued)

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers.

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed by Credit Committee that sets policies, approves credit evaluations and institutes mitigating actions.

New customers are subject to credit evaluation process and existing customers' risk profiles are reviewed regularly with a view to setting appropriate terms of trade and credit limits. Where appropriate, further transactions are suspended and legal actions are taken to attempt recoveries and mitigate losses. Financial guarantees from certain customers may be obtained.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days are deemed to have higher credit risk, and may be monitored individually.

At the end of the reporting date, the Group has a concentration of credit risk in the form of trade debts from 3 (31.12.2012: 3; 31.12.2011: 3; 31.12.2010: 4) main customers, representing approximately 52% (31.12.2012: 48%; 31.12.2011: 50%; 31.12.2010: 51%) of the Group's trade receivables. The maximum exposures to credit risk for the Group are represented by the carrying amounts of each financial asset.

The Group obtains financial guarantees from certain customers in managing its exposure to credit risks. At the end of the reporting period, financial guarantees received by the Group amounted to RM22.39 million (31.12.2012: RM25.43 million; 31.12.2011: RM25.18 million; 31.12.2010: RM29.51 million) from trade receivables.

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26. Financial instruments (continued)

26.4 Credit risk (continued)

Impairment losses

The Group maintains an ageing analysis in respect of trade receivables only. The ageing of trade receivables as at the end of the reporting period was:

	Gross RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Net RM'000
31 December 2010				
Not past due	117,476	-	-	117,476
Past due 1 – 30 days	68,206	-	-	68,206
Past due 31 – 120 days	7,962	-	-	7,962
Past due more than 120 days	6,931	-	-	6,931
	200,575	-	-	200,575
31 December 2011				
Not past due	130,218	-	-	130,218
Past due 1 – 30 days	70,660	-	-	70,660
Past due 31 – 120 days	7,296	-	-	7,296
Past due more than 120 days	6,861	(3,930)	-	2,931
	215,035	(3,930)	-	211,105
31 December 2012				
Not past due	143,401	-	-	143,401
Past due 1 – 30 days	44,582	-	-	44,582
Past due 31 – 120 days	8,909	-	-	8,909
Past due more than 120 days	8,664	(4,244)	-	4,420
	205,556	(4,244)	-	201,312
30 June 2013				
Not past due	135,860	-	-	135,860
Past due 1 – 30 days	52,712	-	-	52,712
Past due 31 – 120 days	17,880	-	-	17,880
Past due more than 120 days	7,515	(4,505)	-	3,010
	213,967	(4,505)	-	209,462

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26. Financial instruments (continued)

26.4 Credit risk (continued)

Impairment losses (continued)

The movements in the allowance for impairment losses of trade receivables during the reporting period were as follows:

	RM'000
Balance at 1 January 2010 and 31 December 2010	-
Impairment loss recognised	3,930
At 31 December 2011/1 January 2012	3,930
Impairment loss recognised	314
At 31 December 2012/1 January 2013	4,244
Impairment loss recognised	261
At 30 June 2013	4,505

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

26.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and borrowings. As at 31 December 2012, the Group has total current liabilities amounting to RM621.3 million which is in excess of total current assets amounting to RM536.2 million. The Group expects to continue to maintain adequate operational resources and positive operating cash flows for the foreseeable future.

The Group also maintains a level of cash and cash equivalents and banking facilities that are deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at a significantly different amounts.

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26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual profit rate	Contractual cash flow RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
31 December 2010							
Non-derivative financial liabilities							
Borrowings	495,000	4.17% - 4.54%	475,148	116,227	111,910	247,011	-
Trade and other payables	195,517		195,517	182,487	13,030	-	-
	690,517		670,665	298,714	124,940	247,011	-
31 December 2011							
Non-derivative financial liabilities							
Borrowings	795,000	4.35% - 5.38%	1,103,360	135,525	270,626	70,845	626,364
Trade and other payables	209,996		209,996	209,996	-	-	-
	1,004,996		1,313,356	345,521	270,626	70,845	626,364

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26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual profit rate	Contractual cash flow RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
31 December 2012							
Non-derivative financial liabilities							
Borrowings	695,000	4.54% - 5.38%	970,835	270,626	23,615	70,845	605,749
Trade and other payables	255,372	-	255,372	255,372	-	-	-
	950,372		1,226,207	525,998	23,615	70,845	605,749
30 June 2013							
Non-derivative financial liabilities							
Borrowings	700,000	4.43% - 5.38%	1,128,731	34,962	34,978	104,933	953,858
Trade and other payables	190,827	-	190,827	190,827	-	-	-
	890,827		1,319,558	225,789	34,978	104,933	953,858

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A Historical Financial Information of WHB Group

26. Financial instruments (continued)

26.6 Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on purchases of machineries and parts that are denominated in currency other than the functional currency of the Group. The currency that gives rise to this risk is primarily the U.S. Dollar.

Risk management objectives, policies and processes for managing the risk

Exposure to foreign currency risk is monitored and where considered necessary, the Group may consider appropriate hedging strategies to mitigate the foreign currency risks.

Foreign currency sensitivity analysis

The Group does not have any significant exposure to foreign currency risk as most of its transactions and balances are denominated in Ringgit Malaysia, other than the purchases of machineries and parts. The exposure to currency risk of the Group is not material and hence, sensitivity analysis is not presented.

26.6.2 Interest rate risk

The Group's fixed rate financing are exposed to a risk of change in fair value due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group does not hedge this exposure by entering into interest rate swaps. The Group does not have any significant exposure to interest rate risk as the financing are fixed rates.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Fixed rate instruments				
Fixed deposits with licensed banks	290,676	69,915	257,192	157,112
Borrowings	445,000	795,000	695,000	700,000

A Historical Financial Information of WHB Group

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.2 Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

26.7 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	31.12.2010		31.12.2011		31.12.2012		30.6.2013	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Investment in money market funds	-	-	236,380	236,380	-	-	-	-
Borrowings	445,000	428,344	795,000	772,656	695,000	695,680	700,000	703,154

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table.

Investment in money market funds

The fair values of investment in money market funds are determined by reference to their quoted closing net asset value price at the end of the reporting period.

Borrowings

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and borrowing cost cash flows, discounted at the market rate of profit rate at the end of the reporting period.

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26. Financial instruments (continued)

26.7 Fair value of financial instruments (continued)

Profit rates used to determine fair value

The profit rates used to discount estimated cash flows, when applicable, are as follows:

	31.12.2010	31.12.2011	31.12.2012	30.6.2013
SMTN I	4.22% - 4.82%	4.13% - 4.40%	3.69%	-
SMTN II	-	4.99% - 5.45%	4.58% - 4.99%	4.25% - 4.70%

The profit rates used to determine fair value are referenced to an independent bond pricing agency source for market interest rates for AA+$_{IS}$ bonds at the reporting dates.

26.7.1 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2010				
Financial assets				
Investment in money market funds	-	-	-	-
31 December 2011				
Financial assets				
Investment in money market funds	236,380	-	-	236,380
31 December 2012				
Financial assets				
Investment in money market funds	-	-	-	-
30 June 2013				
Financial assets				
Investment in money market funds	-	-	-	-

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27. Capital management

The Group's objectives when managing capital is to maintain an optimal capital structure and to safeguard the Group's ability to continue as a going concern, so as to maintain the GOM, investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio and to comply with applicable externally imposed covenants or conditions.

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Total borrowings	445,000	795,000	695,000	700,000
Less: Cash and cash equivalents	(373,750)	(114,659)	(325,526)	(212,328)
Less: Investment in money market funds	-	(236,380)	-	-
Net debt	71,250	443,961	369,474	487,672
Total equity	1,311,837	1,328,314	1,488,029	1,515,673
Debt-to-equity ratios	0.05	0.33	0.25	0.32

There were no changes in the Group's approach to capital management during the reporting period.

28. Capital commitments

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Capital expenditure commitments:				
Property, plant and equipment and Concession assets				
Authorised and contracted for	661,418	280,430	417,928	689,112
Authorised but not contracted for	53,922	13,563	11,199	31,390

29. Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Less than one year	24,020	25,942	25,696	23,732
Between one and five years	98,715	93,878	89,181	81,797
More than five years	105,085	83,981	62,982	34,356
	227,820	203,801	177,859	139,885

The Group leases information technology infrastructures under operating leases. The leases typically run for a period of 10 years. None of the leases includes contingent rentals.

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29. Operating leases (continued)

Leases as lessor

The Group sub-leases out certain land and buildings under operating leases. The future minimum lease receivables under non-cancellable leases are as follows:

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	30.6.2013 RM'000
Less than one year	17,195	17,962	19,390	19,873
Between one and five years	77,098	80,989	87,059	93,748
More than five years	235,061	213,209	187,749	161,187
	329,354	312,160	294,198	274,808

30. Related parties

Identity of related parties

For the purposes of this consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group. Transaction with key management personnel is disclosed in Note 17.

The Group has related party relationship with its significant investors, subsidiaries, related companies, Directors and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business and under negotiated terms. The balances related to the below transaction is shown in Note 13.

	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	1.1.2013 to 30.6.2013 RM'000
Corporate shareholder				
Pembinaan Redzai Sdn. Bhd.				
- Management fees	45,812	51,266	56,446	29,524

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31. Explanation of transition to MFRSs

As stated in Note 1(a), the accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements of the Group for the financial years ended 31 December 2010, 31 December 2011, 31 December 2012 and the 6 month period ended 30 June 2013 and in the preparation of the opening MFRS statement of financial position at 1 January 2010 (the Group's date of transition to MFRSs).

In preparing the opening statement of financial position at 1 January 2010 and subsequent financial positions at 31 December 2010 and 31 December 2011, the Group has adjusted amounts reported previously in the statutory financial statements prepared in accordance with previous PERSs. Explanations of how the transition from previous PERSs to MFRSs has affected the Group's financial positions as at 1 January 2010, 31 December 2010 and 31 December 2011 and financial performances and cash flows for the financial years ended 31 December 2009 to 31 December 2011 are set out as follows:

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31. Explanation of transition to MFRS (continued)

31.1 Reconciliation of financial position as at 1 January 2010

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Non-current assets				
Property, plant and equipment	a,b	1,634,109	(825,502)	808,607
Concession assets	a	-	1,367,606	1,367,606
Total non-current assets		1,634,109	542,104	2,176,213
Current assets				
Inventories	b	7,910	(7,910)	-
Current tax assets		291	-	291
Trade and other receivables		207,350	-	207,350
Cash and cash equivalents		185,070	-	185,070
Total current assets		400,621	(7,910)	392,711
Total assets		2,034,730	534,194	2,568,924
Equity				
Share capital		117,000	-	117,000
Share premium		34,000	-	34,000
Reserves	a,c	994,616	13,298	1,007,914
Total equity		1,145,616	13,298	1,158,914
Non-current liabilities				
Borrowings		458,080	-	458,080
Employee benefits		3,485	-	3,485
Deferred tax liabilities	c	156,236	(14,834)	141,402
Trade and other payables	d	-	45,025	45,025
Provision for concession liability	a	-	488,412	488,412
Total non-current liabilities		617,801	518,603	1,136,404
Current liabilities				
Borrowings		16,320	-	16,320
Trade and other payables	d	254,993	(45,025)	209,968
Provision for concession liability	a	-	47,318	47,318
Total current liabilities		271,313	2,293	273,606
Total liabilities		889,114	520,896	1,410,010
Total equity and liabilities		2,034,730	534,194	2,568,924

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A Historical Financial Information of WHB Group

31. Explanation of transition to MFRSs (continued)

31.1 Reconciliation of financial position as at 31 December 2010

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Non-current assets				
Property, plant and equipment	a,b	1,609,898	(833,147)	776,751
Concession assets	a	-	1,357,601	1,357,601
Total non-current assets		1,609,898	524,454	2,134,352
Current assets				
Inventories	b	8,448	(8,448)	-
Current tax assets		19	-	19
Trade and other receivables		209,703	-	209,703
Cash and cash equivalents		373,750	-	373,750
Total current assets		591,920	(8,448)	583,472
Total assets		2,201,818	516,006	2,717,824
Equity				
Share capital		117,000	-	117,000
Share premium		34,000	-	34,000
Reserves	a,c	1,161,237	(400)	1,160,837
Total equity		1,312,237	(400)	1,311,837
Non-current liabilities				
Borrowings		345,000	-	345,000
Employee benefits		3,199	-	3,199
Deferred tax liabilities	c	178,616	(132)	178,484
Trade and other payables	d	-	13,030	13,030
Provision for concession liability	a	-	469,220	469,220
Total non-current liabilities		526,815	482,118	1,008,933
Current liabilities				
Borrowings		100,000	-	100,000
Trade and other payables	d	241,267	(13,030)	228,237
Tax payable		21,499	-	21,499
Provision for concession liability	a	-	47,318	47,318
Total current liabilities		362,766	34,288	397,054
Total liabilities		889,581	516,406	1,405,987
Total equity and liabilities		2,201,818	516,006	2,717,824

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31. Explanation of transition to MFRSs (continued)

31.1 Reconciliation of financial position as at 31 December 2011

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Non-current assets				
Property, plant and equipment	a,b,e	1,999,172	(1,101,166)	898,006
Concession assets	a,e	-	1,612,021	1,612,021
Total non-current assets		1,999,172	510,855	2,510,027
Current assets				
Inventories	b	7,937	(7,937)	-
Current tax assets		13,215	-	13,215
Trade and other receivables		226,399	-	226,399
Cash and cash equivalents	f	349,721	(235,062)	114,659
Available-for-sale financial assets	f	-	236,380	236,380
Total current assets		597,272	(6,619)	590,653
Total assets		2,596,444	504,236	3,100,680
Equity				
Share capital		117,000	-	117,000
Share premium		34,000	-	34,000
Reserves	a,c	1,171,425	7,528	1,178,953
Total equity		1,322,425	7,528	1,329,953
Non-current liabilities				
Borrowings		695,000	-	695,000
Employee benefits		7,354	-	7,354
Deferred tax liabilities	c	204,990	370	205,360
Provision for concession liability	a	-	449,020	449,020
Total non-current liabilities		907,344	449,390	1,356,734
Current liabilities				
Borrowings		100,000	-	100,000
Trade and other payables		266,675	-	266,675
Provision for concession liability	a	-	47,318	47,318
Total current liabilities		366,675	47,318	413,993
Total liabilities		1,274,019	496,708	1,770,727
Total equity and liabilities		2,596,444	504,236	3,100,680

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31. Explanation of transition to MFRSs (continued)

31.2 Reconciliation of profit or loss and other comprehensive income for the year ended 31 December 2009/1 January 2010

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Revenue		833,247	-	833,247
Cost of sales		(349,616)	-	(349,616)
Gross profit		483,631	-	483,631
Other income		11,010	-	11,010
Administrative expenses		(54,312)	-	(54,312)
Other expenses	a	(124,424)	27,465	(96,959)
Results from operating activities		315,905	27,465	343,370
Finance income		3,030	-	3,030
Finance costs	a	(22,613)	(29,000)	(51,613)
Profit before tax		296,322	(1,535)	294,787
Tax expense	a,c	(32,106)	14,833	(17,273)
Profit and other comprehensive income attributable to owners of the Company		264,216	13,298	277,514

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31. Explanation of transition to MFRSs (continued)

31.2 Reconciliation of profit or loss and other comprehensive income for the year ended 31 December 2010

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Revenue	g	974,954	23,594	998,548
Cost of sales	g	(411,162)	(23,594)	(434,756)
Gross profit		563,792	-	563,792
Other income		39,944	-	39,944
Administrative expenses		(68,074)	-	(68,074)
Other expenses	a	(136,549)	29,129	(107,420)
Results from operating activities		399,113	29,129	428,242
Finance income		7,196	-	7,196
Finance costs	a	(21,719)	(28,126)	(49,845)
Profit before tax		384,590	1,003	385,593
Tax expense	a,c	(86,036)	(14,701)	(100,737)
Profit and other comprehensive income attributable to owners of the Company		298,554	(13,698)	284,856

KPMG

A Historical Financial Information of WHB Group

31. Explanation of transition to MFRSs (continued)

31.2 Reconciliation of profit or loss and other comprehensive income for the year ended 31 December 2011

	Note	PERSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Revenue	g	1,115,330	272,044	1,387,374
Cost of sales	g	(510,713)	(272,044)	(782,757)
Gross profit		604,617	-	604,617
Other income	f	11,815	2,776	14,591
Administrative expenses		(81,504)	-	(81,504)
Other expenses	a	(153,883)	29,129	(124,754)
Results from operating activities		381,045	31,905	412,950
Finance income	f	10,078	(3,101)	6,977
Finance costs	a,e	(32,857)	(22,016)	(54,873)
Profit before tax		358,266	6,788	365,054
Tax expense	a	(48,078)	(503)	(48,581)
Profit for the year		310,188	6,285	316,473
Other comprehensive income, net of tax				
Fair value of available-for-sale financial assets	f	-	1,643	1,643
Total comprehensive income attributable to owners of the Company		310,188	7,928	318,116

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A Historical Financial Information of WHB Group

31. Explanation of transition to MFRSs (continued)

31.3 Material adjustments to the statements of cash flows

There are no material differences between the statement of cash flows presented under MFRSs and the statement of cash flows presented under PERSs other than the corresponding effects as presented in Note 31.1 and 31.2 above.

31.4 Notes to the reconciliations

(a) Concession assets

IC Interpretation 12 gives guidance on accounting treatment for the operators of public-to-private service concession arrangements.

According to IC Interpretation 12, the infrastructure assets of the concession agreement are to be treated as concession assets. Previously, port infrastructures and facilities was classified as property, plant and equipment and depreciated over the remaining concession period. Upon adoption of IC Interpretation 12, these assets are reclassified as concession assets. The concession assets are amortised over the remaining concession period and are stated at cost less accumulated amortisation and accumulated impairment.

The service concession agreement includes annual base lease rental based on scheduled fixed payments. The fair value of the base lease rental is recognised in the cost of the concession assets and a corresponding provision for concession liability is recognised.

(b) Inventories

Amendments to MFRS 116 (Annual Improvements Cycle 2009-2011) prescribes that major spare parts and stand-by equipments qualify as property, plant and equipment when an entity expects to use them for more than one period and not held for re-sale. Similarly, if the spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

(c) Deferred tax liabilities

Under MFRS 112, unutilised investment tax incentive such as reinvestment allowances and investment tax allowances should no longer be accounted for using the tax base method (the Group has applied this method pursuant to MASB 25 under the PERS framework). Unutilised investment tax incentive should be recognised as deferred tax assets by analogy to accounting for unused tax credits, to the extent that it is probable that future taxable profits will be available against which the unutilised investment tax incentives can be utilised.

A Historical Financial Information of WHB Group

31. Explanation of transition to MFRSs (continued)

31.4 Notes to the reconciliations (continued)

(d) Trade payables

The Group entered into a deferred payment agreement on 28 July 2008 for the amount due for the construction of container terminal wharf and access bridges. As at 1 January 2010, there are three deferred payments due on 1 March 2010, 2011 and 2012 respectively. These reclassifications are to reflect a consistent presentation.

(e) Borrowing costs

Under PERSs, MASB 27 prescribes that borrowing costs should be recognised as an expense in profit or loss in the period in which they are incurred with an allowed alternative treatment to capitalise the borrowing costs. The Group has previously recognised borrowing cost as an expense in profit or loss.

Upon transition to MFRS, the Group capitalises borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, as part of the cost of those assets.

(f) Available-for-sale financial assets

Under PERSs, investment in money market funds is classified as cash and cash equivalents.

Upon transition to MFRS, the Group classified investment in money market funds as available-for-sale financial assets. The available-for-sale financial assets are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss.

(g) Construction revenue and cost

Construction revenue and cost represents the revenue recorded in accordance with IC Interpretation 12 related to the construction of infrastructure under the privatisation agreements. Revenue and cost related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed in accordance with MFRS 111.

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A Historical Financial Information of WHB Group

32. Significant events

a) On 8 April 2013, the Board of Directors of the Company has approved the proposal to consider the listing of and quotation for its shares on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing") which will be carried out in conjunction with an initial public offering of the Company's existing shares by all its existing shareholders ("Proposed IPO").

The Company has undertaken a pre-listing exercise in conjunction with the Proposed IPO which includes the following:-

(i) Bonus issue
(ii) Subdivision of shares
(iii) Declaration of special dividend
(iv) Shares subscription

Further, the Board of Directors of Westports Malaysia Sdn. Bhd. has, on 8 April 2013, entered into an agreement with Pembinaan Redzai Sdn. Bhd. ("PRSB"), a corporate shareholder of the Company, to terminate the Management Services Agreement ("MSA") dated 1 January 2001 entered into between WMSB and PRSB. The said termination of the MSA is subject to the relevant regulatory approvals being obtained for the Proposed Listing and Proposed IPO.

b) On 25 April 2013, the Second Supplementary Lease Agreement was signed between PKA and WMSB. The Second Supplementary Lease Agreement provided for general covenants and the obligation to pay quit rent for the specified leased areas effective from financial year 2010.

33. Subsequent events

a) The Board of Directors of the subsidiary, Vehicle Transit Centre (Malaysia) Sdn. Bhd. ("VTCM") had on 2 August 2013, convened an Extraordinary General Meeting to approve the voluntary winding-up of VTCM and the appointment of liquidators.

b) On 31 July 2013, the Directors of the Group proposed an interim single tier dividend in respect of the financial year ended 2013 of 127 sen per ordinary share totalling to RM148,590,000. This dividend will be recognised in subsequent financial period.

KPMG
Firm Number: AF 0758
Chartered Accountants

Ahmad Nasri Abdul Wahab
Approval Number: 2919/03/14(J)
Chartered Accountant

(Prepared for inclusion in this Prospectus)

Registered Office:

Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

Date: 6 September 2013

The Shareholders
Westports Holdings Berhad

Dear Sir/Madam,

On behalf of the Board of Directors of Westports Holdings Berhad ("**WHB**"), we wish to report after due inquiry that during the period from 30 June 2013 (being the date to which the last audited consolidated financial statements of WHB have been made up) to the date herein (being a date not earlier than 14 days before the issue of this Prospectus):

(a) the business of WHB and its subsidiaries ("**WHB Group**") has, in the opinion of the Directors, been satisfactorily maintained;

(b) in the opinion of the Directors, no circumstances have arisen since the last audited consolidated financial statements of WHB which have adversely affected the trading or the values of the assets of the WHB Group;

(c) the current assets of the WHB Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) there are no contingent liabilities by reason of any guarantees or indemnities given by the WHB Group;

(e) there has been no default or any known event that could give rise to a default situation, on payments of either interest and/or principal sums in relation to any borrowings since the last audited consolidated financial statements of WHB; and

(f) save as disclosed in this Prospectus, there has been no material change in the published reserves or any unusual factors affecting the profits of the WHB Group since the last audited consolidated financial statements of WHB.

Yours faithfully
For and on behalf of the Board of Directors of
WESTPORTS HOLDINGS BERHAD

TAN SRI DATUK GNANALINGAM A/L GUNANATH LINGAM
Non-Independent Executive Chairman

WESTPORTS HOLDINGS BERHAD (262761 A) UNIT C4-6-8 SOLARIS DUTAMAS, NO 1, JALAN DUTAMAS 1, 50480 KUALA LUMPUR. TEL: 03-6209 0888 FAX: 03-6209 0868
P.O BOX 266, PULAU INDAH, 42009 PORT KLANG, SELANGOR. TEL: 03-31694000 FAX: 03-3169 4101

15. STATUTORY AND OTHER GENERAL INFORMATION

15.1 Share capital

(i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 12 months after the date of the issue of this Prospectus.

(ii) There is no founder, management or deferred share in our Company. As at the date of this Prospectus, our Company has only one (1) class of shares, namely ordinary shares of RM0.10 each, all of which rank *pari passu* with one another.

(iii) Save as disclosed in this Prospectus, our Company has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within the two (2) years preceding the date of this Prospectus.

(iv) As at the date of this Prospectus, we have not agreed, conditionally or unconditionally, to put the share capital of our Company or any of our subsidiaries under option.

(v) As at the LPD, neither we nor our subsidiaries have any outstanding convertible debt securities.

(vi) Save for the Offer Shares reserved for our Eligible Employees, Directors and persons who have contributed to the success of our Group as disclosed in Section 4.3.5 of this Prospectus and the IPO Trust Scheme as disclosed in Section 15.4 of this Propsectus, subject to our Listing, there is currently no other scheme involving our employees in the share capital of our Company or our subsidiaries.

15.2 Extraction of our Articles of Association

The following is extracted from our Company's Articles of Association and is qualified in its entirety by the remainder of the provisions of our Company's Articles of Association and by applicable law.

15.2.1 Changes in capital and variation of class rights

"22. Class rights may be modified

Subject to the provisions of Section 65 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy not less than one-tenth of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary, apply."

"23. Rights on creation or issue of further shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects pari passu therewith."

15.2.2 Remuneration of Directors

"114. Remuneration of Directors

The Directors' fees in any year (excluding amounts payable under any other provision of these Articles) shall be a fixed sum as determined from time to time by an ordinary resolution of the Company in a general meeting and (unless otherwise determined by an ordinary resolution of the Company in general meeting) such fee shall be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fee related to the period during which he has held office provided always that:-

(a) fees payable to non-executive Directors shall be by a fixed sum of money and not by a commission on or percentage of profits or turnover;

(b) remuneration payable to Director(s) holding executive position(s) under Article 143(1) may not include a commission on or percentage of turnover;

(c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

(d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter."

15.2.3 Transfer of securities

"48. Form of transfer

Subject to the provisions of the Act, these Articles, the Central Depositories Act and the Rules with respect to transfer of Deposited Security, all transfers of securities which are shares:-

(a) to the Central Depository or its nominee company; or

(b) prior to the listing and quotation of such shares on the Exchange,

may be effected by transfer in writing in the usual common form conforming with the Act and/or approved by the Exchange, or such form as may from time to time, be prescribed under the Act or approved by the Exchange. Subject to these Articles, there shall be no restriction on the transfer of fully paid-up shares except where required by law."

"49. Transfer of securities by book entry

The transfer of any Deposited Security shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 103 and 104 of the Act, but subject to subsection 107C(2) of the Act and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Security."

"50. Transmission of securities from Foreign Register

Where:-

(a) the securities of the Company are listed on another stock exchange; and

(b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) (No. 2) Act, 1998, as the case may be, under the Rules in respect of such securities;

the Company shall, upon request by a Depositor, permit a transmission of securities held by such Depositor from the Foreign Register to the Malaysian Register and vice versa provided that there shall be no change in the ownership of such securities."

"51. Obligation to keep register not affected

Nothing in these Articles shall be construed as affecting the obligation of the Company to keep a Register under Section 158 of the Act and a register of option holders under Section 68A of the Act and to open them for inspection in accordance with the provisions of the Act except that the Company shall not be obliged to enter in such registers the names and particulars of Depositors who are deemed to be members or option holders."

"52. Instrument of transfer

Subject to the Central Depositories Act and the Rules, the instrument of transfer of any Deposited Security lodged with the Company for registration must be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register."

"53. Restriction of transfer

Subject to the Central Depositories Act and the Rules, no security shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind."

"54. Maintenance of register of transfers

Subject to Article 49, the Central Depositories Act and the Rules, the Company shall maintain a book called "Register of Transfers" which shall be kept by the Secretary or such other person authorised by the Directors. Subject to the provisions of the Central Depositories Act, the Rules and Article 49, particulars of the transfer or transmission of every security shall be entered into the Register of Transfers."

15.2.4 Voting and borrowing powers of Directors, including voting powers on proposals, arrangements or contracts in which they are interested

"119. Power of Directors to borrow money

(1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

(2) The Directors shall cause a proper register to be kept in accordance with Section 115 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of Section 108 of the Act in regard to the registration of mortgages and charges therein specified and otherwise.

"133. Directors may elect and remove a chairman

The Directors may from time to time elect and remove a chairman and deputy chairman of the Board and determine the period for which they are respectively to hold the office. The chairman so elected, or in his absence the deputy chairman, shall preside at all meetings of the Directors but if no such chairman or deputy chairman be elected, or if at any meeting the chairman or deputy chairman be not present within fifteen (15) minutes after the time appointed for holding the meeting, the Directors present shall choose one (1) of their number to act as chairman of such meeting."

"135. Director not to vote in contracts where he has an interest

No Director may vote in respect of any other contract or proposed contract or arrangement in which he is directly or indirectly interested nor any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that company or as a holder of shares or other securities in that other company."

"137. Voting right of Director

A Director may be or become or continue to be a director, managing director, manager or other officer or member of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise, or any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer of or member of, or from his interest in, such corporation, whether as a nominee of the Company or otherwise, unless the Company otherwise directs at the time of his appointment. The Director may, provided that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles, exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by him as director of such other corporation in such manner and in all respects as he thinks fit but a Director may not vote in favour of the exercise of such voting rights in the manner as aforesaid, if he may be, or is about to be appointed, a director, managing director, manager or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid."

15.2.5 Voting rights

"94. Rights and votes of members

(1) Subject to Article 55, Article 75 and any special rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members, each member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares upon which alls due to the Company have been paid.

(2) Subject to Article 55, Article 75 and any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with these Articles, on a show of hands every person present who is a member or proxy or an authorised corporate representative, or holder of preference shares or attorney or other duly authorised representative shall have one (1) vote and in the case of a poll every member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every share held by him upon which all calls due to the Company have been paid. A person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses on a poll in the same way. Subject to Article 57 and Article 75, the shares held or represented by a member present in person or by proxy or by attorney or other duly authorised representative shall, in relation to shares of a Depositor, be the number of shares entered against his name in the Record of Depositors.

(3) Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable."

"95. Corporation as member

Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative either at a particular meeting of the Company, or at all meetings of the Company or any class of members and the person so authorised shall, in accordance with his authority and until his authority is revoked by the corporation, be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company."

15.2.6 Limitation on the right to hold securities and/or exercise voting rights

"96. Votes of lunatic, deceased or bankrupt member

(1) Any member being of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote by his committee, receiver curator bonis, or other legal guardian or such other person as properly has the management of his estate. Any one (1) of such person may vote either personally or by proxy or by attorney provided such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than fory-eight (48) hours before the time appointed for holding the meeting.

(2) The legal personal representative of a deceased member or the person entitled under Article 53 and Article 54 to any share in consequence of the death or bankruptcy of any member may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that at least forty-eight (48) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to any share in consequence of the death or bankruptcy of any member unless the Directors shall have previously admitted his right to vote in respect thereof."

"97. Member in default

No member shall be entitled to be present or to vote at any general meeting or to exercise any privilege as a member nor be counted as one (1) of the quorum unless all calls or other sums immediately payable by him in respect of shares in the Company have been paid."

"98. Time for Objection

No objection shall be raised as to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman at the meeting, whose decision shall be final and conclusive."

15.2.7 Modification of rights

"21. Modification of rights

Notwithstanding Article 22, the repayment of preference share capital other than redeemable preference share capital, or any other alteration of preference shareholders' rights, shall only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such special resolution is not obtained at the meeting, consent in writing, obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting."

"22. Class rights may be modified

Subject to the provisions of Section 65 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy not less than one-tenth of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary, apply."

"23. Rights on creation or issue of further shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects pari passu therewith."

15.3 Limitation on the right to hold securities and/or exercise voting rights

As our Shares are proposed for quotation on the Official List of the Main Market of Bursa Securities, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the MOF Inc. and such Shares may not be traded on Bursa Securities.

Dealing in Shares deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

Subject to the above and save as disclosed in Section 15.2.6 of this Prospectus, there is no limitation on the right to own securities in our Company, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on such securities, which is imposed by Malaysian law or by the constituent documents of our Company.

15.4 IPO Trust Scheme

Pursuant to a trust deed dated 5 September 2013, PRSB has instituted the IPO Trust Scheme for the benefit of the Eligible Employees who wish to participate in our IPO. In conjunction with our IPO and for this purpose, PRSB has agreed to set aside the Scheme Shares with the Trustee to be held on trust by them and to be made available to the Eligible Employees, as beneficiaries under the IPO Trust Scheme.

The Scheme Shares made available to the Eligible Employees are over and above the Shares which they may apply for under the PINK Application Form pursuant to the Retail Offering.

The entitlement of the Eligible Employees to the Scheme Shares under the IPO Trust Scheme is conditional upon the Listing. An Eligible Employee may, in conjunction with our Listing and any time within a period of one (1) year from the date of our Listing ("**Scheme Period**"), exercise his entitlement to the Scheme Shares allocated to him ("**Share Entitlement**") by either instructing the Trustee to have all or a specified number of Shares comprised in his Share Entitlement credited directly to his CDS account with full cash payment by him for the Shares at the IPO price or authorise the Trustee to sell all or a specified number of Shares comprised in his Share Entitlement at the prevailing market rate and receive the proceeds from the sale of his Shares net of the value of the Shares at the IPO price and all applicable transaction and/or administrative costs. Eligible Employees are prohibited from exercising their Share Entitlements beyond the expiry of the Scheme Period, after which all unexercised Share Entitlements shall lapse.

Only Eligible Employees are entitled to participate in the IPO Trust Scheme. Directors of our Group are not eligible to participate in the IPO Trust Scheme. Prior to the exercise of his Share Entitlement, an Eligible Employee participating in the IPO Trust Scheme shall be entitled to all dividends and other capital distributions arising from or attributable to such Scheme Shares allocated to him.

Upon the expiry of the Scheme Period, the IPO Trust Scheme will dissolve and the Trustee shall either return all remaining Scheme Shares to PRSB or return the cash proceeds arising from the sale of any remaining Scheme Shares by the Trustee at the prevailing market price to PRSB, subject to the settlement of any expenses or debts incurred by the Trustee in the course of performing its duties under the IPO Trust Scheme.

15.5 General information

(i) No commissions, discounts, brokerages or other special terms have been paid or is payable by our Group within the two (2) years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares in or debenture of our Company and in connection with the issue or sale of any capital of our Company and no Director or Promoter or expert is or are entitled to receive any such payment or any other benefits.

(ii) During the last financial year up to the LPD, there were no:

  (a) public take-over offers by third parties in respect of our Shares; and

  (b) public take-over offers by our Company in respect of other company's securities.

15.6 Material contracts

Save as disclosed below, our Group has not entered into any material contract which is not in the ordinary course of business during the two (2) years preceding the LPD:

(i) the Facilitation Fund Agreement between the GOM, Bank Pembangunan and WMSB whereby the parties have agreed to (among others) the following:

(a) that the GOM shall make available a grant to WMSB throughout the availability period ("**Grant**"), being the period commencing on and from the date of the fulfilment of the condition precedent in which the Grant will be made available to WMSB and ending on 31 December 2013 or final disbursement, whichever is earlier; and

(b) that WMSB shall utilise such Grant solely for the purpose of implementing the obligations of completing the land reclamation works and the design, construction, completion, testing and commissioning of CT6 to CT9 in accordance with the terms of the second supplemental privatisation agreement dated 15 January 2010 ("**Project**"). The Grant or any part of the Grant cannot be used for any other purpose.

Any other costs and expenses incurred by WMSB in completing the Project in excess of the Grant (which is capped at RM318.0 million), are to be borne by WMSB;

(ii) the Retail Underwriting Agreement between our Company, the Selling Shareholders, the Managing Underwriter and the Joint Underwriters dated 6 September 2013 to underwrite 102,300,000 Offer Shares under the Retail Offering, subject to the clawback and reallocation provisions on terms and conditions contained therein. Refer to Section 4.13.1 of this Prospectus for further details on the Retail Underwriting Agreement;

(iii) the letter dated 6 September 2013 issued by our Company to the Joint Bookrunners regarding the lock-up arrangement, which is disclosed in Section 4.13.3 of this Prospectus;

(iv) the master cornerstone placing agreement between our Company, the Selling Shareholders and the Cornerstone Investors dated 6 September 2013 whereby the Cornerstone Investors have agreed to purchase, at the Institutional Price, an aggregate 340,000,000 Shares, representing approximately 10% of the issued and paid-up share capital of our Company. Further details of the master cornerstone placing agreement are set out in Section 4.3.1 of this Prospectus;

(v) the letter dated 8 April 2013 between PRSB and WMSB to mutually agree on the MSA Termination. The MSA Termination is subject to all regulatory approvals being obtained for our IPO and our Listing and shall be effective ten (10) days prior to the date of which the SC provides its confirmation on the registration of this Prospectus; and

(vi) the trust deed dated 5 September 2013 between our Company, PRSB and the Trustee, to facilitate the implementation and administration of the IPO Trust Scheme.

15.7 Material litigation

As at the LPD, neither our Company nor our subsidiaries is involved in any material litigation or arbitration, either as plaintiff or defendant, and our Directors are not aware of any legal proceeding, pending or threatened, or of any fact likely to give rise to any proceeding which may materially or adversely effect the business or financial position of our Group.

15.8 Consents

The written consents of the Principal Adviser, Joint Global Coordinators, Joint Bookrunners, Managing Underwriter, Joint Underwriters, Legal Advisers, Principal Bankers, Share Registrar, Trustee and Issuing House as set out in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of its name, Accountants' Report and Reporting Accountants' letter on the proforma consolidated financial information as at 30 June 2013 and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn. A written consent under the Securities and Futures Act is different from a consent filed with the U.S. Securities and Exchange Commission ("**SEC**") under Section 7 of the U.S. Securities Act, which is applicable only to transactions involving securities registered under the U.S. Securities Act. As our Shares in the Prospectus have not and will not be registered under the U.S. Securities Act, KPMG has not filed a consent under Section 7 of the U.S. Securities Act.

The written consent of Drewry Maritime Advisors for the inclusion in this Prospectus of its name, the Executive Summary of the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

15.9 Documents available for inspection

Copies of the following documents may be inspected at our registered office during office hours for a period of 12 months from the date of this Prospectus:

(i) the Memorandum and Articles of Association of our Company;

(ii) the audited financial statements of our Company and subsidiaries for the past three (3) financial years ended 31 December 2010 to 31 December 2012 and for the six (6) months ended 30 June 2013;

(iii) the Reporting Accountants' letter on the pro forma consolidated financial information as included in Section 12.5 of this Prospectus;

(iv) the Accountants' Report referred to in Section 13 of this Prospectus;

(v) the Executive Summary of the IMR Report and the IMR Report referred to in Section 8 of this Prospectus;

(vi) the Directors' Report referred to in Section 14 of this Prospectus;

(vii) the letters of consent referred to in Section 15.8 of this Prospectus;

(viii) the agreements which our Group is highly dependent on and the material contracts as referred to in Sections 7.23 and 15.6 of this Prospectus, respectively. You should note that the Privatisation Agreement, the Lease Agreement and the Facilitation Fund Agreement fall within the definition of "official secret" under the Official Secret Act 1972 (Act 88), and if you wish to inspect these agreements you will have to, on your own, obtain the prior written consent from UKAS, the PKA and Bank Pembangunan and thereafter produce to us such written consent prior to inspecting any of these agreements at our registered office; and

(ix) the by-laws for our Company's IPO Trust Scheme.

15.10 Responsibility statements

Our Directors, the Promoters and the Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries and to the best of their knowledge and belief, they confirm that there are no false or misleading statements or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB as the Principal Adviser acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. PROCEDURES FOR APPLICATION AND ACCEPTANCE

16.1 Opening and closing of applications

OPENING OF THE RETAIL OFFERING: 10.00 A.M., 19 September 2013

CLOSING OF THE RETAIL OFFERING: 5.00 P.M., 27 September 2013

Our Directors, the Selling Shareholders and the Managing Underwriter may decide in their absolute discretion to extend the closing time and/or date for applications to such other time and/or date(s). If they decide to extend the closing date and/or time for the applications, the Price Determination Date and dates for the balloting, transfer of the Offer Shares and the Listing may be extended accordingly. Any extension will be announced in a widely circulated Bahasa Malaysia and English daily newspapers within Malaysia.

Late applications will not be accepted.

16.2 Methods of application and category of investors

16.2.1 Application for the Offer Shares under the Retail Offering

Applications for the Offer Shares pursuant to the Retail Offering may be made using any of the following:

Type of Application	Category of investors
WHITE Application Form or Electronic Share Application[(1)] or Internet Share Application[(2)]	Malaysian Public (for individuals)
WHITE Application Form only	Malaysian Public (for non individuals e.g. corporations, institutions, etc)
PINK Application Form	Eligible Employees, Directors and persons who have contributed to the success of our Group

Notes:

[(1)] *The following processing fee per Electronic Share Application will be charged by the respective Participating Financial Institutions:*

(i) *Affin Bank Berhad – No fee will be charged for application by their account holders;*

(ii) *Ambank (M) Berhad – RM1.00;*

(iii) *CIMB Bank Berhad – RM2.50;*

(iv) *HSBC Bank Malaysia Berhad – RM2.50;*

(v) *Malayan Banking Berhad – RM1.00;*

(vi) *Public Bank Berhad – RM2.00;*

(vii) *RHB Bank Berhad – RM2.50; or*

(viii) *Standard Chartered Bank Malaysia Berhad (at selected branches only) – RM2.50*

[(2)] *The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institutions:*

(i) *Affin Bank Berhad (www.affinOnline.com) – No fees will be charged for application by their account holders;*

(ii) *CIMB Bank Berhad (www.cimbclicks.com.my) – RM2.00 for applicants with CDS accounts held with CIMB and RM2.50 for applicants with CDS accounts with other ADAs;*

(iii) *CIMB Investment Bank Berhad (www.eipocimb.com) – RM2.00 for payment via CIMB Bank Berhad or Malayan Banking Berhad;*

(iv) *Malayan Banking Berhad (www.maybank2u.com.my) – RM1.00;*

(v) *Public Bank Berhad (*www.pbebank.com*) – RM2.00; and*

(vi) *RHB Bank Berhad (www.rhb.com.my) – RM2.50.*

You must have a CDS account before you can submit your application either by way of Application Forms or Electronic Share Applications as well as Internet Share Application.

However, applicants using the WHITE Application Forms are not allowed to submit multiple applications in the same category of application. Further, applicants who have submitted their applications using the WHITE Application Forms are not allowed to make additional applications using either the Electronic Share Applications or the Internet Share Applications, or vice versa.

16.2.2 Application by institutional investors and selected investors under the Institutional Offering

Institutional investors under the Institutional Offering (other than the Bumiputera investors approved by the MITI) will be contacted directly by the respective Joint Global Coordinators and Joint Bookrunners and should follow the instructions as communicated by the respective Joint Global Coordinators and Joint Bookrunners.

Bumiputera investors approved by the MITI who have been allocated the Offer Shares will be contacted directly by the MITI and should follow the instructions as communicated through the MITI.

16.3 Procedures for application and acceptance

Application must be made in relation to and subject to the terms of this Prospectus and our Memorandum and Articles of Association. You agree to be bound by our Memorandum and Articles of Association.

16.3.1 Application by the Malaysian Public under the Retail Offering (WHITE Application Form, Electronic Share Application or Internet Share Application)

Eligibility

You can only apply for the Offer Shares if you fulfill all the following requirements:

(i) You must have a CDS account. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs listed in Section 17 of this Prospectus;

(ii) You must be one (1) of the following:

(a) a Malaysian citizen who is at least 18 years old as at the closing date of the Retail Offering with a Malaysian address; or

(b) a corporation/institution incorporated in Malaysia where there is a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(c) a superannuation, co-operative, society, foundation, provident, or pension fund established or operating in Malaysia.

We will not accept applications from trustees, persons under 18 years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations/institutions referred to in (ii)(b) or (c) above or the trustees thereof; and

(iii) You must not be a director or employee of the Issuing House or their immediate family members.

16.3.2 Application by Eligible Employees, Directors and persons who have contributed to the success of our Group (PINK Application Forms)

Application procedures and instructions will be separately contained in a letter to be issued by our Company to the Eligible Employees, Directors and persons who have contributed to the success of our Group.

16.4 Procedures for application by way of Application Forms

Each application for the Offer Shares under the Retail Offering must be made on the correct Application Form for the relevant category of investors issued together with this Prospectus and must be completed in accordance with the notes and instructions contained therein in the respective category of the Application Form. The Application Form together with the notes and instructions contained therein shall constitute an integral part of this Prospectus. Applications which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible may not be accepted at the absolute discretion of our Directors.

Full instructions for the application for the Offer Shares and the procedures to be followed are set out in the Application Forms. All applicants are advised to read the Application Forms and the notes and instructions therein carefully.

The Malaysian Public should follow the following procedures in making their applications under the Retail Offering.

Step one: Obtain application documents

Obtain the relevant Application Form together with the Official "A" and "B" envelopes and this Prospectus.

The **WHITE** Application Forms can be obtained, subject to availability, from the following:

(i) Maybank IB;

(ii) Participating organisations of Bursa Securities;

(iii) Members of the Association of Banks in Malaysia;

(iv) Members of the Malaysian Investment Banking Association;

(v) Issuing House; and

(vi) our Company.

Step two: Read this Prospectus

In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by this Prospectus. You are advised to read and understand this Prospectus before making your application.

Step three: Complete the relevant Application Form

Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in this Prospectus.

(i) Personal particulars

You must ensure that your personal particulars submitted in your application are identical with the records maintained by the Bursa Depository. You are required to inform the Bursa Depository promptly of any changes to your personal particulars.

If you are an individual and you are not a member of the armed forces or police, the name and national registration identity card ("**NRIC**") numbers must be the same as:

- your NRIC;
- any valid temporary identity document issued by the National Registration Department from time to time; or
- your "Resit Pengenalan Sementara (KPPK 09)" issued pursuant to Peraturan 5(5), Peraturan-peraturan Pendaftaran Negara 1990.

If you are a member of the armed forces or police, your name and your armed forces or police personnel number, as the case may be, must be exactly as that stated in your authority card.

For corporations/institutions, the name and certificate of incorporation numbers must be the same as that stated in the certificate of incorporation or the certificate of change of name, where applicable.

If you are a non-Malaysian (in the case of PINK Application Forms), your name and passport number must be exactly as that stated in your passport.

(ii) CDS account number

You must state your CDS account number in the space provided in the Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.

(iii) Details of payment

You must state the details of your payment in the appropriate boxes provided in the Application Form.

(iv) Number of Shares applied

Applications must be for at least 100 Shares or multiples of 100 Shares.

Step four: Prepare appropriate form of payment

You must prepare the correct form of payment in RM for the FULL amount payable for the Offer Shares based on the Retail Price, which is RM2.50 per Offer Share.

Payment must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NO. 548"** and crossed **"A/C PAYEE ONLY"** (excluding ATM statements) and endorsed on the reverse side with your name and address. Only the following forms of payment will be accepted:

(i) banker's draft or cashier's order purchased within Malaysia only and drawn on a bank in Kuala Lumpur (differentiated by a special red band for Bumiputera applicants);

(ii) money order or postal order (for applicants from Sabah and Sarawak only);

(iii) Guaranteed GIRO Order ("**GGO**") from Bank Simpanan Nasional Malaysia Berhad (differentiated by a special red band for Bumiputera applicants); or

(iv) ATM statement obtained only from any of the following:
- Affin Bank Berhad;
- Alliance Bank Malaysia Berhad;
- CIMB Bank Berhad;
- Hong Leong Bank Berhad;
- Malayan Banking Berhad;
- RHB Bank Berhad.

We will not accept applications with excess or insufficient remittances or inappropriate forms of payment.

Step five: Finalise application

Insert the relevant Application Form together with payment and a legible photocopy of your identification document (NRIC/valid temporary identity document issued by the National Registration Department/"Resit Pengenalan Sementara (KPPK 09)"/authority card for armed forces or police personnel/certificate of incorporation or certificate of change of name for corporate or institutional applicant or passport (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

The name and address written must be identical to your name and address as per your NRIC/valid temporary identity document issued by the National Registration Department/"Resit Pengenalan Sementara (KPPK 09)"/authority card for armed forces or police personnel/certificate of incorporation or the certificate of change of name for corporate or institutional applicant or passport (where applicable).

Affix an 80 sen stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

Step six: Submit application

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one (1) of the following methods:

(i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn. Bhd. (258345-X)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

OR

P.O. Box 8269
Pejabat Pos Kelana Jaya
46785 Petaling Jaya

(ii) **DELIVERED BY HAND AND DEPOSITED** in the Drop-In Boxes provided at the front portion of Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan

so as to arrive not later than 5.00 p.m. on 27 September 2013, or such later date or dates as our Directors, the Selling Shareholders and the Joint Underwriters in their absolute discretion may decide.

16.5 Procedures for application by way of Electronic Share Application

Only Malaysian individuals may apply for the Offer Shares by way of Electronic Share Application in respect of the Offer Shares made available to the Malaysian Public.

16.5.1 Steps for Electronic Share Application through a Participating Financial Institution's ATM

(i) You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one (1) of the Participating Financial Institutions cannot be used to apply for Shares at an ATM belonging to other Participating Financial Institutions;

(ii) You **must have a CDS account**;

(iii) You are advised to read and understand this Prospectus before making the application; and

(iv) You may apply for the Offer Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out in Section 16.5.3 of this Prospectus. You are to submit the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number (PIN);
- MIH Share Issue Account Number No. 548;

- CDS account number;
- Number of Shares applied for and/or the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 16.5.3 of this Prospectus.

16.5.2 Participating Financial Institutions

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:

- Affin Bank Berhad;
- AmBank (M) Berhad;
- CIMB Bank Berhad;
- HSBC Bank Malaysia Berhad;
- Malayan Banking Berhad;
- Public Bank Berhad;
- RHB Bank Berhad; or
- Standard Chartered Bank Malaysia Berhad (at selected branches only).

16.5.3 Terms and Conditions of Electronic Share Applications

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions ("**Steps**"), similar to the steps set out in Section 16.5.1 of this Prospectus. The Steps set out the actions that the applicant must take at the ATM to complete an Electronic Share Application. Please read carefully the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application.

You must have a CDS account to be eligible to use the Electronic Share Application. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or the Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

Upon the closing of the Retail Offering on 27 September 2013 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institutions shall submit a magnetic tape containing their respective customers' applications for the Offer Shares to the Issuing House as soon as practicable but not later than 12.00 p.m. of the second business day after the Closing Date and Time.

You will be allowed to make only one (1) application and shall not make any other application for the Offer Shares under the Retail Offering to the Malaysian Public, whether at the ATMs of any Participating Financial Institution or using Internet Share Application or using the WHITE Application Forms.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below and in Section 16.7 of this Prospectus:

(i) The Electronic Share Application shall be made in relation to and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.

(ii) You are required to confirm the following statements (by pressing pre-designated keys (or buttons) on the ATM keyboard) and undertake that the following information given are true and correct:

(a) You have attained 18 years of age as at the Closing Date and Time;

(b) You are a Malaysian citizen residing in Malaysia;

(c) You have read this Prospectus and understood and agreed with the terms and conditions of the application;

(d) This is the only application that you are submitting; and

(e) You hereby give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to the Issuing House and other relevant authorities.

The application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall be deemed to have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the SICDA to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to the Issuing House, or any relevant regulatory bodies.

(iii) **You confirm that you are not applying for Shares as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one (1) Electronic Share Application and shall not make any other application for the Offer Shares under the Retail Offering to Malaysian Public, whether at the ATMs of any Participating Financial Institution or using Internet Share Application or using the WHITE Application Forms.**

(iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

(v) You agree and undertake to purchase and to accept the number of Shares applied for as stated on the Transaction Record or any lesser number of Shares that may be allocated to you in respect of the Electronic Share Application. In the event that we and the Selling Shareholders decide to allocate a lesser number of such Shares or not to allocate any Shares to you, you agree to accept any such decision as final. If the Electronic Share Application is successful, your confirmation (by your action of pressing the predesignated keys (or buttons) on the ATM keyboard) of the number of Shares applied for shall signify, and shall be treated as, your acceptance of the number of Shares that may be allocated to you and to be bound by the Memorandum and Articles of Association of our Company.

(vi) We reserve the right not to accept any Electronic Share Application or accept any Electronic Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allocating the Offer Shares to a reasonable number of applicants with a view to establishing an adequate market for the Offer Shares.

(vii) Where an Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful applications. If your Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest into your account with that Participating Financial Institution within two (2) Market Days after the receipt of confirmation from the Issuing House. The Issuing House shall inform the Participating Financial Institutions of the non-successful or partially successful applications within two (2) Market Days after the balloting date. You may check your account on the fifth (5^{th}) Market Day from the balloting date.

If your Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest into your account with the Participating Financial Institution within two (2) Market Days after the receipt of confirmation from the Issuing House. A number of applications will, however, be held in reserve to replace any successfully balloted applications, which are subsequently rejected. For such applications, which are subsequently rejected, the application monies without interest will be refunded to applicants by the Issuing House by crediting into your account with the Participating Financial Institution not later than ten (10) Market Days from the day of the final ballot of the application list.

Should you encounter any problems in your application, you may refer to the Participating Financial Institutions.

(viii) You request and authorise us:

(a) to credit the Offer Shares allocated to you into your CDS account; and

(b) to issue share certificate(s) representing such shares allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

(ix) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control, the Issuing House, Bursa Depository or the Participating Financial Institutions and irrevocably agree that if:

(a) our Company, the Selling Shareholders or the Issuing House does not receive your Electronic Share Application; and

(b) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or Issuing House,

you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, Selling Shareholders, Issuing House or the Participating Financial Institutions for the Offer Shares applied for or for any compensation, loss or damage.

(x) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, Issuing House and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.

(xi) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application is liable to be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered address last maintained with Bursa Depository.

(xii) By making and completing an Electronic Share Application, you agree that:

(a) in consideration of us agreeing to allow and accept the making of any application for shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;

(b) we, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our/their control;

(c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase the Offer Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said Shares;

(d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of the Offer Shares allocated to you; and

(e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/or the Electronic Share Application and/or any terms herein, all rights, obligations and liabilities of the parties to the Retail Offering shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

(xiii) If you are successful in your application, our Directors reserve the right to require you to appear in person at the registered office of the Issuing House within 14 days of the date of the notice issued to you to ascertain your application is genuine and valid. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

(xiv) The Issuing House, on the authority of our Directors, reserves the right to reject applications which do not conform to these instructions.

16.6 Procedures for applications by way of Internet Share Applications

Only Malaysian individuals may use the Internet Share Application to apply for the Offer Shares made available to the Malaysian Public.

Please read carefully and follow the terms of this Prospectus, the procedures, terms and conditions for Internet Share Application and the procedures set out on the internet financial services website of the Internet Participating Financial Institution before making an Internet Share Application.

Step one: Set up of account

Before making an application by way of Internet Share Application, you **must have all** of the following:

(i) an existing account with access to internet financial services with any of the following:

(a) Affin Bank Berhad at www.affinOnline.com
(b) CIMB Bank Berhad at www.cimbclicks.com.my
(c) CIMB Investment Bank Berhad at www.eipocimb.com
(d) Malayan Banking Berhad at www.maybank2u.com.my
(e) Public Bank Berhad at www.pbebank.com
(f) RHB Bank Berhad at www.rhb.com.my

You need to have your user identification and PIN/password for the internet financial services facility; and

(ii) an individual CDS account registered in your name (and not in a nominee's name); and in the case of a joint account with the relevant Internet Participating Financial Institution, an individual CDS account registered in your name which is to be used for the purpose of the application, if you are making the application instead of a CDS account registered in the joint account holder's name.

Step two: Read this Prospectus

You are advised to read and understand this Prospectus before making your application.

Step three: Apply through internet

The following steps for an application of the Offer Shares via Internet Share Application have been set out for illustration purposes only.

PLEASE NOTE THAT THE ACTUAL STEPS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION MAY DIFFER FROM THE STEPS OUTLINED BELOW.

(i) Connect to the internet financial services website of the Internet Participating Financial Institution with which you have an account;

(ii) Log in to the internet financial services facility by entering your user identification and PIN/password;

(iii) Navigate to the section of the website on applications in respect of IPO;

(iv) Select the counter in respect of the Offer Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application;

(v) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions;

(vi) At the next screen, complete the online application form;

(vii) Check that the information contained in the online application form, such as the share counter, NRIC number, CDS account number, number of Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form;

(viii) After selecting the designated hyperlink on the screen, you will have to confirm and undertake that the following mandatory statements are true and correct:

(a) You are at least 18 years of age as at the Closing Date and Time;

(b) You are a Malaysian citizen residing in Malaysia;

(c) You have, prior to making the Internet Share Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which you have read and understood;

(d) You agree to all the terms and conditions of the Internet Share Application as set out in this Prospectus and have carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus, before making the Internet Share Application;

(e) The Internet Share Application is the only application that you are submitting for the Offer Shares under the offering to the Malaysian Public;

(f) You authorise the financial institution with which you have an account to deduct the full amount payable for the Offer Shares from your account with the said financial institution ("**Authorised Financial Institution**");

(g) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the SICDA) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to you, the Internet Share Application made by you or your account with the Internet Participating Financial Institution, to the Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;

(h) You are not applying for the Offer Shares as a nominee of any other person and the application is made in your own name, as beneficial owner and subject to the risks referred to in this Prospectus; and

(i) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, Bursa Securities or other relevant parties in connection with the Retail Offering, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the Retail Offering. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution in connection with the use of the Internet Share Application services;

(ix) Upon submission of the online application form, you will be linked to the website of the Authorised Financial Institution to effect the online payment for the Retail Offering;

(x) You must pay for the Offer Shares through the website of the Authorised Financial Institution, failing which the Internet Share Application is **not completed**, despite the display of the Confirmation Screen. "**Confirmation Screen**" refers to the screen which appears or is displayed on the internet financial services website, which confirms that the Internet Share Application has been completed and states the details of your Internet Share Application, including the number of Shares applied for, which can be printed out by you for record purposes;

(xi) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the Offer Shares is being made. Subsequently, the Internet Participating Financial Institution shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website; and

(xii) You are advised to print out the Confirmation Screen for reference and retention.

16.7 Terms and conditions

The terms and conditions outlined below supplement the additional terms and conditions for Internet Share Application contained in the Internet Financial Services website of the Internet Participating Financial Institution. Please refer to the Internet Financial Services website of the Internet Participating Financial Institution for the exact terms and conditions and instructions.

(i) You are required to pay the Retail Price of RM2.50 for each Share applied for.

(ii) You can submit only one (1) application for the Offer Shares offered to the Malaysian Public. For example, if you submit an application using a WHITE Application Form, you cannot submit an Electronic Share Application or Internet Share Application and vice versa.

The Issuing House, acting under the authority of our Directors has the discretion to reject applications that appear to be multiple applications under each category of applicants.

We wish to caution you that if you submit more than one (1) application in your own name or by using the name of others, with or without their consent, you will be committing an offence under Section 179 of the CMSA and may be punished with a minimum fine of RM1,000,000.00 and a jail term of up to ten (10) years under Section 182 of the CMSA.

(iii) Each application under the WHITE Application Forms, Electronic Share Application and Internet Share Application must be for at least 100 Shares or multiples of 100 Shares.

(iv) Each application must be made in connection with and subject to this Prospectus and the Memorandum and Articles of Association of our Company. You agree to be bound by the Memorandum and Articles of Association of our Company should you be allocated any Shares.

(v) Your submission of an application does not necessarily mean that your application will be successful. Any submission of application is irrevocable.

(vi) We, the Selling Shareholders or the Issuing House will not issue any acknowledgement of the receipt of your application or application monies.

(vii) You must ensure that your personal particulars submitted in your application and/or your personal particulars as recorded by the Internet Participating Financial Institution are correct and accurate and identical with the records maintained by the Bursa Depository. Otherwise, your application is liable to be rejected. You will have to promptly notify the Bursa Depository of any change in your address failing which the notification letter of successful allocation will be sent to your registered/correspondence address last maintained with the Bursa Depository.

(viii) No application shall be deemed to have been accepted by reason of the remittances having been presented for payment.

Our acceptance of your application to subscribe for or purchase the Offer Shares shall be constituted by the issue of notices of allotment for the Offer Shares to the applicants.

(ix) Submission of your CDS account number in your application includes your authority/consent in accordance with Malaysian laws of the right of the Bursa Depository, the Participating Financial Institution and Internet Participating Financial Institution (as the case may be) to disclose information pertaining to your CDS account and other relevant information to us, the Issuing House and any relevant authorities (as the case may be).

(x) **You agree to accept our decision as final should we decide not to allot any Shares to you.**

(xi) Additional terms and conditions for Electronic Share Application are as follows:

(a) You agree and undertake to subscribe for or purchase and to accept the number of Shares applied for as stated in the Transaction Record or any lesser amount that may be allocated to you.

(b) Your confirmation by pressing the corresponding key or button on the ATM shall be treated as your acceptance of the number of Shares allocated to you.

(c) Should you be allocated any Shares, you shall be bound by the Memorandum and Articles of Association of our Company.

(d) You confirm that you are not applying for Shares as a nominee of other persons and that your Electronic Share Application is made on your own account as a beneficial owner.

(e) You request and authorise us to credit the Offer Shares allocated to you into your CDS account and to issue share certificate(s) representing those Offer Shares allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send them to the Bursa Depository.

(f) You acknowledge that your application is subject to electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events which are not in the control of our Company, the Issuing House, the Participating Financial Institution or the Bursa Depository. You irrevocably agree that you are deemed not to have made an application if we or the Issuing House do not receive your application or your application data is wholly or partially lost, corrupted or inaccessible to us or the Issuing House. You shall not make any claim whatsoever against us, the Issuing House, the Participating Financial Institution or the Bursa Depository.

(g) You irrevocably authorise the Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the transfer of the Offer Shares allocated to you.

(h) You agree that in the event of legal disputes arising from the use of Electronic Share Applications, the mutual rights, obligations and liabilities of the parties to the Retail Offering shall be determined under the laws of Malaysia and be bound by decisions of the Courts of Malaysia.

(xii) Additional terms and conditions for Internet Share Application are as follows:

(a) Your application will not be successfully completed and cannot be recorded as a completed application unless you have completed all relevant application steps and procedures for the Internet Share Application which would result in the internet financial services website displaying the Confirmation Screen. You are required to complete the Internet Share Application by the close of the Retail Offering mentioned in Section 16.1 of this Prospectus.

(b) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of Shares applied for as stated on the Confirmation Screen or any lesser amount that may be allocated to you. Your confirmation by clicking the designated hyperlink on the relevant screen of the website shall be treated as your acceptance of the number of Shares allocated to you.

(c) You request and authorise us to credit the Offer Shares allocated to you into your CDS account and to issue share certificate(s) representing those Shares allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send them to the Bursa Depository.

(d) You irrevocably agree and acknowledge that the Internet Share Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution. If, in any such event, our Company, the Issuing House and/or the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment, or in the event that any data relating to the Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted, destroyed or otherwise not accessible for any reason, you shall be deemed not to have made an Internet Share Application and you shall have no claim whatsoever against our Company, the Issuing House or the Internet Participating Financial Institution and the Authorised Financial Institution.

(e) You irrevocably authorise the Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the transfer of the Offer Shares allocated to you.

(f) You agree that in the event of legal disputes arising from the use of Internet Share Application, the mutual rights, obligations and liabilities of the parties to the Retail Offering shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.

(g) You shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of your Internet Share Application by our Company, the Issuing House and/or the Internet Participating Financial Institution for reasons of multiple application, suspected multiple application, inaccurate and/or incomplete details provided by the applicant, or any other cause beyond the control of the Internet Participating Financial Institution.

(h) You are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application.

(i) In making the Internet Share Application, you have relied solely on the information contained in this Prospectus. Our Company, the Promoters, the Selling Shareholders, Joint Underwriters and Principal Adviser and any other person involved in the Retail Offering shall not be liable for any information not contained in this Prospectus which may have been relied by you in making the Internet Share Application.

16.8 Authority of our Directors, Selling Shareholders and the Issuing House

Applicants will be selected in a manner to be determined by our Directors. Due consideration will be given to the desirability of allocating the Offer Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.

The Issuing House, on the authority of our Directors and the Selling Shareholders, reserves the right to:

(i) reject applications which do not conform to the instructions in this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable) or are illegible, incomplete or inaccurate;

(ii) reject or accept any application, in whole or in part, on a non-discriminatory basis without assigning any reason therefor; and

(iii) bank in all application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded (where applicable) without interest by registered post.

If you are successful in your application, our Directors and the Selling Shareholders reserve the right to require you to appear in person at the registered office of the Issuing House within 14 days of the date of the notice issued to you to ascertain that your application is genuine and valid. Our Directors are not responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.9 Over/Under-subscription

In the event of over-subscription in the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors and the Selling Shareholders to determine the acceptance of applications in a fair and equitable manner. In determining the manner of balloting, our Directors and the Selling Shareholders will consider the desirability of distributing the Offer Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing an adequate market in the trading of our Shares. Pursuant to the Listing Requirements, we need to have a minimum of 25% of our Shares for which Listing is sought to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon completion of this IPO and at the time of Listing. In the event that the above requirement is not met, we may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned in full without interest.

In the event of an under-subscription, subject to the clawback and reallocation as set out in Section 4.3.3 of this Prospectus, all the Offer Shares not applied for under the Retail Offering will be underwritten by the Managing Underwriter and the Joint Underwriters pursuant to the Retail Underwriting Agreement.

Where your successfully balloted application under the WHITE Application Form is subsequently rejected, the full amount of your application monies, will be refunded without interest to you within ten (10) Market Days from the date of the final ballot of the application list to your address registered with the Bursa Depository.

Where your successfully balloted application under the Electronic Share Application or the Internet Share Application is subsequently rejected, the full amount of your application monies, will be refunded without interest to you by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions respectively.

16.10 Unsuccessful/Partially successful applicants

Application monies in respect of the unsuccessful/partially successful applicants will be returned without interest in the following manner.

16.10.1 For applications by way of application forms

(i) The application monies or the balance of it, as the case may be, will be returned to you via the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by registered post to your last address maintained with the Bursa Depository (for partially successful applications) within ten (10) Market Days from the date of the final ballot.

(ii) If your application was rejected because you did not provide a CDS account number, your application monies will be sent to your address as stated in the NRIC or "Resit Pengenalan Sementara" (KPPK 09) or any valid temporary identity document issued by the National Registration Department from time to time at your own risk.

(iii) The Issuing House reserves the right to bank-in all application monies from unsuccessful applicants. These monies will be refunded within ten (10) Market Days from the date of the final ballot by registered post to your last address maintained with the Bursa Depository or as per item (ii) above (as the case may be).

16.10.2 For applications by way of Electronic Share Application

(i) The Issuing House shall inform the Participating Financial Institutions of the non-successful or partially successful applications within two (2) Market Days after the balloting date. The application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution within two (2) Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the fifth (5^{th}) Market Day from the balloting day.

(iii) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded without interest by the Issuing House by crediting into your account with the Participating Financial Institution not later than ten (10) Market Days from the date of the final ballot. For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Participating Financial Institution will arrange for a refund of the application money (or any part thereof) without interest within two (2) Market Days from the date of the final ballot.

16.10.3 For applications by way of Internet Share Application

(i) The Issuing House shall inform the Internet Participating Financial Institutions of the non-successful or partially successful application within two (2) Market Days after the balloting date. The Internet Participating Financial Institution will arrange with the Authorised Financial Institution to credit the application monies or the balance of it without interest into your account with the Authorised Financial Institution within two (2) Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the fifth (5^{th}) Market Day from the balloting day.

(iii) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded without interest by the Issuing House by crediting into your account with the Internet Participating Financial Institution not later than ten (10) Market Days from the date of the final ballot. For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Internet Participating Financial Institution will credit the application monies (or any part thereof) into your account without interest within two (2) Market Days after receiving confirmation from the Issuing House.

16.11 Successful applicants

If you are successful in your application:

(i) The Offer Shares allocated to you will be credited into your CDS account. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

(ii) A notice of allotment will be despatched to you at the address last maintained with the Bursa Depository, at your own risk, before the Listing. This is your only acknowledgement of acceptance of the application.

(iii) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded without any interest thereon. The refund in the form of cheques will be despatched by ordinary post to the address maintained with Bursa Depository for applications made via WHITE Application Form or by crediting into your account with the Participating Financial Institution for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institution for applications made via the Internet Share Application, within ten (10) market days from the date of the final ballot of application, at your own risk.

16.12 Enquiries

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Forms	Issuing House
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution and Authorised Financial Institution

You may also check the status of your application by logging onto the Issuing House's website at www.mih.com.my, or by calling your respective ADA at the telephone number as stated in Section 17 of this Prospectus or the Issuing House at telephone no. +603 7841 8000 or +603 7841 8289 between five (5) to ten (10) Market Days (during office hours only) after the balloting date.

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17. LIST OF ADAs

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
KUALA LUMPUR		
UOB KAY HIAN SECURITIES (M) SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Telephone no.: +603 6201 1155	078-004
AFFIN INVESTMENT BANK BERHAD	Ground Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Telephone no. : +603 2143 8668	028-001
AFFIN INVESTMENT BANK BERHAD	38A & 40A Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Telephone no. : +603 9130 8803	028-005
ALLIANCE INVESTMENT BANK BERHAD	17th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Telephone no.: +603 2697 6333	076-001
AMINVESTMENT BANK BERHAD	15th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Telephone no.: +603 2078 2788	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Telephone no.: +603 2691 8887	024-001
CIMB INVESTMENT BANK BERHAD	9th Floor, Commerce Square Jalan Semantan, Damansara Heights 50490 Kuala Lumpur Telephone no.: +603 2084 9999	065-001
KENANGA INVESTMENT BANK BERHAD	1st Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Telephone no.: +603 2178 1133	073-029
KENANGA INVESTMENT BANK BERHAD	Bangunan ECM Libra 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Telephone no.: +603 2089 1888	073-021

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(cont'd)*		
HONG LEONG INVESTMENT BANK BERHAD	Level 8, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Telephone no.: +603 2168 1168	066-001
HWANGDBS INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Telephone no.: +603 7710 6688	068-009
HWANGDBS INVESTMENT BANK BERHAD	7th, 22nd, 23rd & 23A Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Telephone no.: +603 2711 6888	068-014
HWANGDBS INVESTMENT BANK BERHAD	No. 57-10 Level 10 The Boulevard, Mid Valley City Lingkaran Syed Putra 59000 Kuala Lumpur Telephone no.: +603 2287 2273	068-017
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Telephone no.: +603 2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Telephone no.: +603 7984 7796	054-003
INTER-PACIFIC SECURITIES SDN BHD	Stesyen Minyak SHELL Jalan 1/116B, Off Jalan Kuchai Lama Kuchai Entrepreneur Park 58200 Kuala Lumpur Telephone no.: +603 7981 8811	054-005
JUPITER SECURITIES SDN BHD	7th-9th Floor, Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Telephone no.: +603 2034 1888	055-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Telephone no.: +603 2168 8800	053-001

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(cont'd)*		
KENANGA INVESTMENT BANK BERHAD	8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Telephone no.: +603 2164 9080	073-001
MAYBANK INVESTMENT BANK BERHAD	5-13 Floor, Maybanlife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Telephone no.: +603 2297 8888	098-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Telephone no.: +603 2282 1820	057-002
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Telephone no.: +603 6203 7227	093-002
MIDF AMANAH INVESTMENT BANK BERHAD	11th & 12th Floor, Menara MIDF 82 Jalan Raja Chulan 50200 Kuala Lumpur Telephone no.: +603 2173 8888	026-001
HONG LEONG INVESTMENT BANK BERHAD *(formerly known as MIMB Investment Bank Berhad)*	Level 18-21, Menara Raja Laut 288, Jalan Raja Laut 50350 Kuala Lumpur Telephone no.: +603 2691 0200	066-006
RHB INVESTMENT BANK BERHAD	20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Telephone no.: +603 2333 8333	087-018
RHB INVESTMENT BANK BERHAD	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Telephone no.: +603 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Telephone no.: +603 4280 4798	087-054

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 3rd Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Telephone no.: +603 9058 7222	087-058
PM SECURITIES SDN BHD	Ground, Mezzanine, 1st & 10th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Telephone no.: +603 2146 3000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Public Bank Building No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Telephone no.: +603 2031 3011	051-001
RHB INVESTMENT BANK BERHAD	Level 9, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Telephone no.: +603 9287 3888	087-001
TA SECURITIES HOLDINGS BERHAD	Floor 13-16, 23, 28-30, 34 & 35 Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Telephone no.: +603 2072 1277	058-003
SELANGOR DARUL EHSAN		
AFFIN INVESTMENT BANK BERHAD	2nd, 3rd & 4th Floor Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Telephone no.: +603 3343 9999	028-002
AFFIN INVESTMENT BANK BERHAD	Lot 229, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7729 8016	028-003
AFFIN INVESTMENT BANK BERHAD	1st Floor, 20-22 Jalan 21/22, SEA Park 46300 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7877 6229	028-006

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(cont'd)*		
AFFIN INVESTMENT BANK BERHAD	No. 79-1 & 79-C Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Telephone no.: +603 3322 1999	028-007
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7710 6613	086-003
CIMB INVESTMENT BANK BERHAD	Level G & Level 1 Tropicana City Office Tower No.3 Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7717 3388	065-009
KENANGA INVESTMENT BANK BERHAD	35 (Ground & 1st Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Telephone no.: +603 3348 8080	073-035
HONG LEONG INVESTMENT BANK BERHAD	Level 10 1 First Avenue Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7724 6888	066-002
HWANGDBS INVESTMENT BANK BERHAD	16th, 18th-20th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Telephone no.: +603 5513 3288	068-002
HWANGDBS INVESTMENT BANK BERHAD	East Wing & Centre Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Telephone no.: +603 5635 6688	068-010
JF APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Telephone no.: +603 8736 1118	079-001

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(cont'd)*		
JF APEX SECURITIES BERHAD	15th & 16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7620 1118	079-002
KENANGA INVESTMENT BANK BERHAD	Ground –5th floor East Wing, Quattro West No.4, Lorong Persiaran Barat 46200 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7862 6200	073-005
KENANGA INVESTMENT BANK BERHAD	1st Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Telephone no.: +603 8024 1682	073-006
KENANGA INVESTMENT BANK BERHAD	Suite 7.02, Level 7, Menara ING Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Telephone no.: +603 3005 7550	073-007
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7725 9095	073-016
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No.7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Telephone no.: +603 5621 2118	073-030
RHB INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS 2/63 47300 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7873 6366	087-011
RHB INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Telephone no.: +603 8736 3378	087-045

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(cont'd)*		
MALACCA SECURITIES SDN BHD	No. 16 Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Telephone no.: +603 5636 1533	012-002
MALACCA SECURITIES SDN BHD	No. 58A & 60A Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7876 1533	012-003
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Telephone no.: +603 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Telephone no.: +603 3343 9180	087-048
RHB INVESTMENT BANK BERHAD	3rd Floor, 1 A-D Jalan USJ 10/1A Pusat Perniagaan USJ 10 47610 UEP Subang Jaya Selangor Darul Ehsan Telephone no.: +603 8023 6518	087-059
RHB INVESTMENT BANK BERHAD	11-1, Jalan PJU 5/12 Dataran Sunway Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 6148 3361	087-051
RHB INVESTMENT BANK BERHAD	Ground Floor and 1st Floor No. 13 Jalan Kenari 3 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Telephone no.: +603 8070 6899	087-049
PM SECURITIES SDN BHD	No. 157 & 159, Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Telephone no.: +603 8070 0773	064-003

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(cont'd)*		
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Telephone no.: +603 3341 5300	064-007
SJ SECURITIES SDN BHD	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Section 22 40000 Shah Alam Selangor Darul Ehsan Telephone no.: +603 5192 0202	096-001
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Telephone no.: +603 8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	Damansara Utama Branch 2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 47400 Petaling Jaya Selangor Darul Ehsan Telephone no.: +603 7729 5713	058-007
MELAKA		
CIMB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No : +606 2898 800	065-006
KENANGA INVESTMENT BANK BERHAD	71A & B & 73A & B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Telephone no.: +606 2881 720	073-028
KENANGA INVESTMENT BANK BERHAD	22A & 22A-1 and 26 & 26-1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Telephone no.: +606 3372 550	073-034
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Telephone no.: +606 3371 533	012-001

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
MELAKA *(cont'd)*		
MERCURY SECURITIES SDN BHD	No. 81-B & 83-B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Telephone no.: +606 2921 898	093-003
RHB INVESTMENT BANK BERHAD	579, 580 & 581 Taman Melaka Raya 75000 Melaka Telephone no.: +606 2825 211	087-026
PM SECURITIES SDN BHD	No. 11 & 13, Jalan PM2 Plaza Mahkota 75000 Melaka Telephone no.: +606 2866 008	064-006
RHB INVESTMENT BANK BERHAD	No. 19, 21 & 23 Jalan Merdeka Taman Melaka Raya 75000 Melaka Telephone no.: +606 2833 622	087-002
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Telephone no.: +606 2862 618	058-008
PERAK DARUL RIDZUAN		
UOB KAY HIAN SECURITIES (M) SDN BHD	29G, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No : +605 6216 010	078-009
CIMB INVESTMENT BANK BERHAD	Ground, 1st, 2nd and 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2088 688	065-010
KENANGA INVESTMENT BANK BERHAD	No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2422 828	073-022
KENANGA INVESTMENT BANK BERHAD	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Telephone no.: +605 6222 828	073-026

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PERAK DARUL RIDZUAN *(cont'd)*		
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 25 & 25A Jalan Jaya2, Medan Jaya 32000 Sitiawan Perak Darul Ridzuan Telephone no.: +605 6939 828	073-031
HWANGDBS INVESTMENT BANK BERHAD	Ground, Level 1, 2 & 3 21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Telephone no.: +605 8066 688	068-003
HWANGDBS INVESTMENT BANK BERHAD	Ground ,1st & 2nd Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2559 988	068-015
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2530 888	066-003
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 No.42 Persiaran Greentown 1 Pusat Perdagangan Greentown 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2453 400	098-002
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Telephone no.: +605 2419 800	057-001
RHB INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Telephone no.: +605 2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Telephone no.: +605 6236 498	087-014

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PERAK DARUL RIDZUAN *(cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Telephone no.: +605 6921 228	087-016
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Telephone no.: +605 8088 229	087-034
RHB INVESTMENT BANK BERHAD	72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Telephone no.: +605 4651 261	087-044
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Buntar Perak Darul Ridzuan Telephone no.: +605 7170 888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Telephone no.: +605 2531 313	058-001
PULAU PINANG		
UOB KAY HIAN SECURITIES (M) SDN BHD	1st, 2nd & 3rd Floor Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Telephone no.: +604 2299 318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No. 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Telephone no.: +604 5541 388	078-003
ALLIANCE INVESTMENT BANK BERHAD	Suite 2.1 & 2.4, Level 2 Wisma Great Eastern No. 25, Lebuh Light 10200 Penang Telephone no.: +604 2611 688	076-015

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PULAU PINANG *(cont'd)*		
AMINVESTMENT BANK BERHAD	Mezzanine Floor & Level 3 No. 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Telephone no.: +604 2261 818	086-004
AMINVESTMENT BANK BERHAD	Level 3 No. 15, Lebuh Pantai 10300 Pulau Pinang Telephone no.: +604 2618 688	086-007
CIMB INVESTMENT BANK BERHAD	Ground Floor Suite 1.01, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Telephone no.: +604 2385 900	065-003
KENANGA INVESTMENT BANK BERHAD	7th Floor, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Telephone no.: +604 2283 355	073-023
HWANGDBS INVESTMENT BANK BERHAD	Level 2, 3, 4, 7 & 8, Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Telephone no.: +604 2636 996	068-001
HWANGDBS INVESTMENT BANK BERHAD	No. 2 & 4 Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Telephone no.: +604 5372 882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Ground, Mezzanine & 8th Floor Bangunan Mayban Trust No. 3, Penang Street 10200 Pulau Pinang Telephone no.: +604 2690 888	054-002
M & A SECURITIES SDN BHD	332H-1 & 332G-2 Harmony Square Jalan Perak 11600 Georgetown Pulau Pinang Telephone no.: +604 2817 611	057-005
MALACCA SECURITIES SDN BHD	Prima Tanjung Suite 98-3-13A Jalan Fettes 11200 Tanjung Tokong Pulau Pinang Telephone no.: +604 8981 525	012-004

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PULAU PINANG *(cont'd)*		
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Telephone no.: +604 3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2 Lebuh Pantai 10300 Pulau Pinang Telephone no.: +604 2639 118	093-004
RHB INVESTMENT BANK BERHAD	64 & 64-D Tingkat Bawah Lebuh Bishop 10200 Pulau Pinang Telephone no.: +604 2634 222	087-004
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Telephone no.: +604 3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground & Upper Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Telephone no.: +604 5402 888	087-015
RHB INVESTMENT BANK BERHAD	834, Jalan Besar, Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Telephone no.: +604 5831 888	087-032
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5 & 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Telephone no.: +604 6404 888	087-042
RHB INVESTMENT BANK BERHAD	41-A, 41-B and 41-C Lintang Angsana Bandar Baru Air Itam 11500 Pulau Pinang Telephone no.: +604 8352 988	087-056
PM SECURITIES SDN BHD	Level 25, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Telephone no.: +604 2273 000	064-004

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PERLIS INDRA KAYANGAN		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Telephone no.: +604 9793 888	087-060
KEDAH DARUL AMAN		
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 5A 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Telephone no.: +604 7322 111	078-007
ALLIANCE INVESTMENT BANK BERHAD	2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Telephone no.: +604 7317 088	076-004
HWANGDBS INVESTMENT BANK BERHAD	No. 70 A, B, C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Telephone no.: +604 4256 666	068-011
RHB INVESTMENT BANK BERHAD	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Telephone no.: +604 4204 888	087-017
RHB INVESTMENT BANK BERHAD	35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim Kedah Darul Aman Telephone no.: +604 4964 888	087-019
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Telephone no.: +604 7209 888	087-021

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
NEGERI SEMBILAN DARUL KHUSUS		
KENANGA INVESTMENT BANK BERHAD	1C & 1D Ground, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Telephone no.: +606 7655 998	073-033
HWANGDBS INVESTMENT BANK BERHAD	Ground & 1st Floor 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Telephone no.: +606 7612 288	068-007
HWANGDBS INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Telephone no.: +606 4553 188	068-013
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Telephone no.: +606 7641 641	087-024
RHB INVESTMENT BANK BERHAD	1st Floor, No. 3601, Jalan Besar 73000 Tampin Negeri Sembilan Darul Khusus Telephone no.: +606 4421 000	087-037
RHB INVESTMENT BANK BERHAD	1st & 2nd Floor No. 168, Jalan Mewah (Pusat Perniagaan UMNO Bahagian Jempol) 72100 Bahau Negeri Sembilan Darul Khusus Telephone no.: +606 4553 014	087-040
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 346 & 347, Batu ½ , Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Telephone no.: +606 6461 234	087-046
PM SECURITIES SDN BHD	1st, 2nd & 3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Telephone no.: +606 7623 131	064-002

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM		
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Telephone no.: +607 3332 000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Telephone no.: +607 6637 398	078-005
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 70, 70-01, 70-02 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Telephone no.: +607 3513 218	078-006
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 171 (Ground Floor) Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Telephone no.: +607 5121 633	078-008
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Telephone no.: +607 7717 922	076-006
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Telephone no.: +607 4342 282	086-002
AMINVESTMENT BANK BERHAD	18th & 31st Floor, Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Telephone no.: +607 3343 855	086-006
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Telephone no.: +606 9532 222	073-024

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(cont'd)*		
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Telephone no.: +607 4678 885	073-025
HWANGDBS INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Telephone no.: +607 2222 692	068-004
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Telephone no.: +607 2231 211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Telephone no.: +607 3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 31, Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Telephone no.: +606 9542 711	073-008
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 34 Jalan Genuang 85000 Segamat Johor Darul Takzim Telephone no.: +607 9333 515	073-009
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 (Ground & 1st Floor A&B) Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Telephone no.: +607 7771 161	073-010
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Telephone no.: +606 9782 292	073-011

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(cont'd)*		
KENANGA INVESTMENT BANK BERHAD	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre Batu Pahat, 83000 Johor Darul Takzim Telephone no.: +607 4326 963	073-017
KENANGA INVESTMENT BANK BERHAD	Suite 16-02, 16-03 &16-03A Level 16 Menara MSC Cyberport No.5 Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Telephone no.: +607 2237 432	073-019
M&A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Telephone no.: +607 3381 233	057-003
M&A SECURITIES SDN BHD	26, Jalan Indah16/5 Taman Bukit Indah 81200 Johor Bahru Johor Darul Takzim Telephone no.: +607 2366 288	057-006
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Telephone no.: +607 3316 992	093-005
HONG LEONG INVESTMENT BANK BERHAD *(formerly known as MIMB Investment Bank Berhad)*	Suite 25.02, Level 25 Johor Bahru City Square (Office Tower) No. 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Telephone no.: +607 2227 388	066-005
HONG LEONG INVESTMENT BANK BERHAD *(formerly known as MIMB Investment Bank Berhad)*	1st Floor, No. 9 Jalan Kundang Taman Bukit Pasir 83000 Batu Pahat Johor Darul Takzim Telephone no.: +607 4313 688	066-004
RHB INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Telephone no.: +607 2788 821	087-006

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(cont'd)*		
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Telephone no.: +607 4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Telephone no.: +606 9538 262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Telephone no.: +607 5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Telephone no.: +607 9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 17, Jalan Manggis 86000 Kluang Johor Darul Takzim Telephone no.: +607 7769 655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Telephone no.: +607 6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Telephone no.: +606 9787 180	087-038
RHB INVESTMENT BANK BERHAD	1st Floor, No. 2 & 4 Jalan Makmur Taman Sri Aman 85300 Labis Johor Darul Takzim Telephone no.: +607 9256 881	087-039

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground , 1st Floor & 2nd Floor 81100 Johor Bahru Johor Darul Takzim Telephone no.: +607 3522 293	087-043
PM SECURITIES SDN BHD	No. 41, Jalan Molek 2/4 Taman Molek 81100 Johor Bahru Johor Darul Takzim Telephone no.: +607 3513 232	064-005
PM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Telephone no.: +607 4333 608	064-008
PAHANG DARUL MAKMUR		
ALLIANCE INVESTMENT BANK BERHAD	A-397, A-399 & A-401 Taman Sri Kuantan III, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Telephone no.: +609 5660 800	076-002
CIMB INVESTMENT BANK BERHAD	Ground 1st & 2nd Floor No. A-27 (Aras G, 1 & 2) Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Telephone no. : +609 5057 800	065-007
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2, Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Telephone no.: +609 5171 698	073-027
RHB INVESTMENT BANK BERHAD	B32 & B34, Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Telephone no.: +609 5173 811	087-007
RHB INVESTMENT BANK BERHAD	Ground Floor 98 Jalan Pasdec 28700 Bentong Pahang Darul Makmur Telephone no.: +609 2234 943	087-022

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
PAHANG DARUL MAKMUR *(cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Telephone no.: +605 4914 913	087-041
KELANTAN DARUL NAIM		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Telephone no.: +609 7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Telephone no.: +609 7432 288	058-004
TERENGGANU DARUL IMAN		
ALLIANCE INVESTMENT BANK BERHAD	No. 1D, Ground & Mezzanine No. 1E, Ground, Mezzanine 1st & 2nd Floor, Jalan Air Jerneh 20300 Kuala Terengganu Terengganu Darul Iman Telephone no.: +609 6317 922	076-009
FA SECURITIES SDN BHD	No. 51 & 51A Ground, Mezzanine & 1st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Telephone no.: +609 6238 128	021-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Telephone no.: +609 8583 109	087-027
RHB INVESTMENT BANK BERHAD	31A, Ground Floor 31A & 31B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Telephone no.: +609 6261 816	087-055

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SARAWAK		
AMINVESTMENT BANK BERHAD	No. 164, 166 & 168 1st, 2nd & 3rd Floor Jalan Abell 93100 Kuching Sarawak Telephone no.: +6082 244 791	086-005
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26, Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Telephone no.: +6082 358 606	065-004
CIMB INVESTMENT BANK BERHAD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Telephone no.: +6084 367 700	065-008
HWANGDBS INVESTMENT BANK BERHAD	Ground Floor & 1st Floor, No.1, Jalan Pending 1st Floor, No.3, Jalan Pending 93450 Kuching Sarawak Telephone no.: +6082 341 999	068-005
HWANGDBS INVESTMENT BANK BERHAD	No. 282, 1st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Telephone no.: +6086 330 008	068-016
KENANGA INVESTMENT BANK BERHAD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Telephone no.: +6085 435 577	073-002
KENANGA INVESTMENT BANK BERHAD	Level 5, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Telephone no.: +6082 338 000	073-003
KENANGA INVESTMENT BANK BERHAD	No. 11-12 (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Telephone no.: +6084 313 855	073-012

17. **LIST OF ADAs** *(cont'd)*

Name	Address and telephone number	Broker code
SARAWAK *(cont'd)*		
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No.1-10, 2nd Floor Lot 365, Section 50, Jalan Abell 93100 Kuching Sarawak Telephone no.: +6082 250 888	087-003
RHB INVESTMENT BANK BERHAD	Lot 170 & 171 Section 49, K.T.L.D. Jalan Chan Chin Ann 93100 Kuching Sarawak Telephone no.: +6082 422 252	087-008
RHB INVESTMENT BANK BERHAD	Lot 1268, 1st & 2nd Floor Lot 1269, 2nd Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Telephone no.: +6085 422 788	087-012
RHB INVESTMENT BANK BERHAD	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Telephone no.: +6084 329 100	087-013
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 10, Jalan Bersatu 96100 Sarikei Sarawak Telephone no.: +6084 654 100	087-050
RHB INVESTMENT BANK BERHAD	Ground Floor &1st Floor No. 221, Parkcity Commerce Square Phase III, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Telephone no.: +6086 311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Telephone no.: +6084 319 998	058-002
TA SECURITIES HOLDINGS BERHAD	2nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Telephone no.: +6082 236 333	058-006

17. LIST OF ADAs *(cont'd)*

Name	Address and telephone number	Broker code
SABAH		
CIMB INVESTMENT BANK BERHAD	1st & 2nd Floor Central Building No.28, Jalan Sagunting 88000 Kota Kinabalu Sabah Telephone no.: +6088 328 878	065-005
KENANGA INVESTMENT BANK BERHAD	Aras 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Telephone no.: +6088 236 188	073-032
HWANGDBS INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor, CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Telephone no.: +6088 311 688	068-008
UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Telephone no.: +6088 234 090	078-011
RHB INVESTMENT BANK BERHAD	5th Floor, Wisma BSN Sabah Jalan Kemajuan, Karamunsing 88000 Kota Kinabalu Sabah Telephone no.: +6088 269 788	087-010
RHB INVESTMENT BANK BERHAD	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4 North Road 91000 Sandakan Sabah Telephone no.: +6089 229 286	087-057
RHB INVESTMENT BANK BERHAD	Lot14-0, Ground Floor Lorong Lintas Plaza 2 Lintas Plaza, Off Jalan Lintas 88300 Kota Kinabalu Sabah Telephone no.: +6088 258 618	087-036

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT

1. Long-term lease registered in favour of WMSB[(1)]

No.	Location/ Postal address[(4)]	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
1.	HSD 62583 PT 65744 in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	Dry bulk terminal 2 gate and conveyor systems A-F together with transfer towers A-F / This land is used as our dry bulk terminal 2 to handle non-edible dry bulk cargo such as coal, gypsum and fertilisers / 30 years (expiring on 31 August 2024)	Land area of 120.94 acres / A built up area of approximately 70.56 Sq m for the dry bulk terminal 2 gate and 5,278.6 Sq m for conveyor systems A-F together with transfer towers A-F	Dry bulk terminal 2 gate, conveyor systems A-F together with transfer towers A-F are approximately 14 years old / The CFO for these structures is dated 26 October 2004	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / 1. Sub-lease over a portion of the land granted by WMSB to West Fertilizer Terminal Sdn Bhd for a period of 25 years (expiring on 31 August 2024) 2. Sub-lease over a portion of the land granted by WMSB to Slag Cement Sdn Bhd for a period of 28 years and eight months (expiring on 31 August 2024) 3. Sub-lease over a portion of the land granted by WMSB to Slag Cement Sdn Bhd for a period of 26 years and 11 months (expiring on 31 August 2024) 4. Sub-lease over a portion of the land granted by WMSB to Tmkay Fertilizers Sdn Bhd for a period of 26 years ten months and 17 days (expiring on 31 August 2024)	This land shall be used for buildings / The construction of the buildings is to be in accordance with the Selangor Town and Country Planning Department / Complied	Refer to note 2

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

No.	Location/ Postal address[(4)]	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
2.	HSD 62584 PT 65745 in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	Liquid bulk gate and fire station building / This land is used as our liquid bulk terminal to handle all petrochemical products and bunker fuel / 30 years (expiring on 31 August 2024)	Land area of 204.05 acres / A built up area of approximately 235.116 Sq m for the liquid bulk gate and 2,490 Sq m for the fire station building	The liquid bulk gate is approximately 17 years old and the fire station building is approximately 18 years old / The CFO for these structures is dated 26 October 2004	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / 1. Sub-lease over a portion of the land granted by WMSB to Far East Oil Terminal Two (Malaysia) Sdn Bhd for a period of 23 years and four months (expiring on 31 August 2024) 2. Sub-lease over a portion of the land granted by WMSB to Shell Malaysia Trading Sdn Bhd for a period of 14 years and one month (expiring on 31 August 2024)	This land shall be used for buildings / The construction of the buildings is to be in accordance with the Selangor Town and Country Planning Department / Complied	Refer to note 2
3.	HSD 62585 PT 65746 in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	(i) Warehouses D, E, F, G, H, J, K, L and M; (ii) conventional gate complex; (iii) tower block and business centre; (iv) marshalling building for container terminal 1 ("**CT1**");	Land area of 862.42 acres / The built up areas are as follows: (i) warehouse D – 8,739.54 Sq m; warehouse E – 8,739.54 Sq m; warehouse F – 11,748.7 Sq m; warehouse G - 11,748.7 Sq m; warehouse H - 11,748.7 Sq m; warehouse J –	The age of the buildings and the date of issuance of the CFO for the buildings are as follows: (i) warehouses D and, E – each approximately 19 years old; warehouses F, G, H, J, K, L and M – each approximately 15 years old / The CFO for these structures is dated 26 October 2004;	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / 1. Sub-lease over a portion of the land granted by WMSB to VTCM for a period of 28 years and eight months (expiring on 31 August 2024) 2. Sub-lease over a portion of the land granted by WMSB to Jetty Services Sdn Bhd for a period of 21 years (expiring on 30 November 2016)	This land shall be used for buildings / The construction of the buildings is to be in accordance with the Selangor Town and Country Planning Department / Complied	Refer to note 2

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

No.	Location/ Postal address[(4)]	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
			(v) administration building for container terminal 4 ("**CT4**"); (vi) CFS buildings 1 to 4; (vii) maintenance & repair ("**M&R**") workshops 1 to 3; (viii) M&R administration centre and store; (ix) container gate for CT1 / This land is used as our dry bulk terminal 1, break bulk terminal, RORO terminal and CT1 to CT6 to handle edible and non-edible dry bulk cargoes such as maize, sugar, soya bean, corn, steel beams, steel ingot, coils and timber as well as the handling of all related container cargo services /	10,440.1 Sq m; warehouse K – 3,888 Sq m; warehouse L - 4,212 Sq m; warehouse M – 1,732.5 Sq m; (ii) conventional gate complex - 1,138.5 Sq m; (iii) tower block – 37,587.2 Sq m (including basement parking and plaza level), and business centre - 18,501.2 Sq m; (iv) marshalling building for CT1 - 2,489.7 Sq m; (v) administration building for CT4 – 3,214.5 Sq m; (vi) CFS building 1 – 3,037.5 Sq m; CFS building 2 - 3,109.9 Sq m;	(ii) conventional gate complex – approximately 19 years old / The CFO is dated 26 October 2004; (iii) tower block and business centre – approximately 16 years old / The CFO for these structures is dated 28 July 2005; (iv) marshalling building for CT1 – approximately 15 years old / The CFO is dated 26 October 2004; (v) administration building for CT4 – approximately 6 years old / The CFO is dated 25 March 2010; (vi) CFS building 1 – approximately 17 years old; CFS building 2 and 3 – each approximately 13 years old; CFS building 4	3. Sub-lease over a portion of the land granted by WMSB to Westport Grain Terminals Sdn Bhd for a period of 29 years (expiring on 31 August 2024) 4. Sub-lease over a portion of the land granted by WMSB to Diperdana Terminal Services Sdn Bhd for a period of 21 years (expiring on 30 November 2016) 5. Sub-lease over a portion of the land granted by WMSB to Reefer Logistics Sdn Bhd for a period of 28 years and four months (expiring on 31 August 2024) 6. Sub-lease over a portion of the land granted by WMSB to Ban Seng Guan Sdn Bhd for a period of 24 years and five months (expiring on 31 August 2024) 7. Sub-lease over a portion of the land granted by WMSB to ExxonMobil Malaysia Sdn Bhd for a period of 20 years (expiring on 24 April 2021) 8. Sub-lease over a portion of the land granted by WMSB to Cargill (Malaysia) Sdn Bhd for a period of 29 years (expiring on 30 November 2024)		

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

No.	Location/ Postal address(4)	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
			30 years (expiring on 31 August 2024)	CFS building 3 - - 3,109.9 Sq m; CFS building 4 - 3,037.5 Sq m; (vii) M&R workshop 1 - 1,080 Sq m; M&R workshop 2 – 1,080 Sq m; M&R workshop 3– 1,060 Sq m; (viii) M&R administration centre and store - 1,654.3 Sq m. (ix) container gate for CT1 - 2,554 Sq m	– approximately 10 years old / The CFO for the CFS buildings 1, 2 and 3 is dated 26 October 2004. Refer to note 3 for CFO for CFS building 4; (vii) M&R workshop 1– approximately 17 years old; M&R workshop 2– approximately 10 years old; M&R workshop 3– approximately 4 years old / The CFO for M&R workshop 1 is dated 26 October 2004. Refer to note 3 for the CFO for M&R workshops 2 and 3; (viii) M&R administration centre and store approximately 19 years old / The CFO is dated 26 October 2004;	9. Sub-lease over a portion of the land granted by WMSB to Indahgrains Logistics Sdn Bhd for a period of 27 years (expiring on 17 August 2024) 10. Sub-lease over a portion of the land granted by WMSB to Indahgrains Logistics Sdn Bhd for a period of 23 years and eight months (expiring on 31 August 2024)		

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

No.	Location/ Postal address[4]	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
					(ix) container gate for CT1 is approximately 17 years old / Refer to note 3 for the CFO for the container gate for CT1.			
4.	HSD 67428 PT 64145 in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	No material buildings and/or structures have been erected on the land / This land is used as a distripark warehousing area by a third party / 30 years (expiring on 31 August 2024)	Land area of 5.84 acres/ Built up area of approximately 30,892.43 Sq m for the warehouse (distripark)	Not applicable	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / Nil	Industrial ("Perusahaan") / Industry ("Industri") / Complied	Refer to note 2
5.	HSD 67429 PT 64146 in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	No material buildings and/or structures have been erected on the land /	Land area of 7.25 acres Not applicable	Not applicable	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / Nil	Industrial ("Perusahaan") / Industry ("Industri") / Complied	Refer to note 2

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

No.	Location/ Postal address(4)	Registered owner/ Lessee	Description of material buildings and/or structures erected on the land/ Existing use/ Tenure of lease (years)	Land area/ Built-up area	Age of material buildings and/or structures erected on the land / Date of issuance of CFO	Restriction in interest / Other registered lease	Category of land use / Express Conditions and status of compliance	Annual Rental (RM)
			This land is used partially as a distripark warehousing area by a third party and also for our pavement working areas / 30 years (expiring on 31 August 2024)					
6.	PN 97568 Lot 121122 (formerly held under HSD 110335 PT 114594) in the Mukim of Klang, District of Klang, State of Selangor	PKA/ WMSB	No material buildings and/or structures have been erected on the land / This land is used as part of our CT3 back-of-terminal roads and pavement areas / 30 years (expiring on 31 August 2024)	Land area of 1.68 acres Not applicable	Not applicable	The given land cannot be transferred, leased or charged unless with the consent from the State Authority / Nil	Industrial ("Perusahaan") / Industrial ("Perusahaan") / Complied	Refer to note 2

All the above lands are unencumbered.

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

Notes:

(1) Pursuant to the Lease Agreement, WMSB is entitled to register a 30 year lease over approximately 1,202.18 acres of land located in the District of Klang, Mukim Klang / Pulau Indah, Selangor Darul Ehsan.

(2) There is no NBV attributable to these lands as these lands are leased from PKA and are not owned by WMSB. The annual rental charged for these lands are set out below:

	Period	***Annual Rental (RM)***
(i)	*For 1995*	*20,000*
(ii)	*For 1996 to 2002 (moratorium granted by PKA)*	*-*
(iii)	*For 2003 and 2004*	*3,088,040*
(iv)	*For 2005*	*6,178,840*
(v)	*For 2006 to 2018*	*12,357,720*
(vi)	*For 2019 to 2023*	*18,536,560*
(vii)	*For 2024*	*21,696,440*

*(3) The application for the requisite CFOs for M&R workshops 2 and 3, CFS building 4 and the container gate in CT1 has been submitted to the Klang Municipal Council (Majlis Perbandaran Klang) ("**MPK**") under 'Program Pemutihan' on 14 August 2013.*

(4) The postal address for all the structures owned and occupied by Westports is P.O. Box 266, Pulau Indah, 42009 Port Klang, Selangor Darul Ehsan.

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

2. Tenancy

No.	Location/Postal address	Registered owner/ Landlord	Description of property/ Existing use/Tenure of tenancy (years)	Tenanted area (square feet)	Monthly rental (RM)
1.	C4-6-7, C4-6-8, C4-6-9, C4-6-10, C4-6-11, C4-6-12 & C4-6-13, Solaris Dutamas, 1, Jalan Dutamas 1, 50480 Kuala Lumpur	Gryss Holdings Sdn Bhd	Shop office / Office / three (3) years (expiring on 31 December 2013)	6,090	15,225.00

The Board wishes to highlight that, save for the items listed in note 3 of the table under item (1) above, to the best of its knowledge and belief, the properties stated above:

(i) have not breached any of the land-use conditions/permissible land use; and

(ii) comply with current statutory requirements, land rules or building requirements,.

3. Other Material Tangible Fixed Assets

The material plant and equipment used and owned or leased by our Group as at 30 June 2013 are as follows:

Port Facilities and material tangible fixed assets / material concession assets[(1)]	Description of assets and its usage	Quantity (units)	Audited NBV as at 30 June 2013 (RM)	Owned/ leased
Quay cranes	Large quay side crane used for the loading and unloading of containers from vessels. Quay cranes use a moving platform called a spreader to lift containers.	47[(2)]	647,726,991.92	Owned
RTGs	A mobile crane which runs on rubber-tyres used for the stacking of containers within the container yard.	125[(3)]	244,423,175.08	
Prime Movers	To carry containers for discharge and loading operations from the container yard to the wharf and vice versa.	332	34,152,586.50	

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

Port Facilities and material tangible fixed assets / material concession assets[(1)]	Description of assets and its usage	Quantity (units)	Audited NBV as at 30 June 2013 (RM)	Owned/ leased
Trailers	Attached to Prime Movers to carry containers for discharge and loading operations from the container yard to the wharf and vice versa.	347	11,122,032.15	Owned
Reach Stackers	Machine used for the transport of laden containers quickly at short distances and for piling the containers in various rows at the container yard.	13	8,773,529.82	
Empty Stackers	Machine used for the transport of empty containers quickly at short distances and for piling the containers in various rows at the container yard.	15	4,478,161.49	

Notes:

(1) *Refer to Section 7.6.1 of this Prospectus for further information on capacity and utilisation of our container operations.*

(2) *Currently, only 45 quay cranes are in operation as the remaining two (2) quay cranes are not being utilised and are in the process of being disposed off.*

(3) *Currently, only 115 RTGs are in operation as the remaining ten (10) RTGs are not being utilised and are in the process of being disposed off.*

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

Concession Assets

Port Facilities and material tangible fixed assets / material concession assets[1]	Description of assets and its usage	Audited NBV as at 30 June 2013 (RM)	Berth length (metres)/ Built up area (Sq m)	No. of berth	Depth (metres)
CT1:					
Wharf	Open pile container terminal structure with three (3) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 80,000 tonnes and is mainly used to handle feeder vessels.	11,826,730.38	600 metres	2	15
Yard	Open paved area with RTGs and reefer points for stacking of containers	43,340,544.88	91,189 Sq m		
Storage Facilities	CFS for stuffing and unstuffing of goods and cargoes	348,886.00	3,074 Sq m		
Building	1. 14 lanes of Container Gate for the entrance and exit of all container haulage 2. Marshalling building for CT1 3. M&R workshop for the prime movers and RTGs	5,345,079.70	2,554 Sq m 2,489.7 Sq m 1,080 Sq m		
CT2:					
Wharf	Open pile container terminal structure with three (3) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 115,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 6,500 TEUs	11,826,730.38	600 metres	2	15
Yard	Open paved area with RTGs for stacking of containers	26,525,682.61	149,960 Sq m		
Storage Facilities	CFS for stuffing and unstuffing of goods and cargoes	3,051,177.21	6,169 Sq m		

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

Port Facilities and material tangible fixed assets / material concession assets[1]	Description of assets and its usage	Audited NBV as at 30 June 2013 (RM)	Berth length (metres)/ Built up area (Sq m)	No. of berth	Depth (metres)
CT3:					
Wharf	Open pile container terminal structure with three (3) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 115,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 6,500 TEUs	67,590,060.03	600 metres	2	15
Yard	Open paved area with RTGs and reefer points for stacking of containers	31,551,361.23	131,435 Sq m		
Storage Facilities	CFS for stuffing and unstuffing of goods and cargoes	3,302,359.71	3,074 Sq m		
Building	M&R workshop for the prime movers and RTGs	3,128,390.38	35,238 Sq m		
CT4:					
Wharf	Open pile container terminal structure with three (3) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 115,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 6,500 TEUs	88,382,292.23	600 metres	2	16
Yard	Open paved area with RTGs and reefer points for stacking of containers	51,002,006.16	137,616 Sq m		
Building	1. Six (6) storey administration building for vessel and yard planning 2. M&R workshop for the prime movers and RTGs	13,268,907.83	2,769 Sq m 16,458 Sq m		
CT5:					
Wharf	Open pile container terminal structure with three (3) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 160,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 13,000 TEUs	151,906,794.17	600 metres	2	16

ANNEXURE A: LIST OF OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(cont'd)*

Port Facilities and material tangible fixed assets / material concession assets[(1)]	Description of assets and its usage	Audited NBV as at 30 June 2013 (RM)	Berth length (metres)/ Built up area (Sq m)	No. of berth	Depth (metres)
Yard	Open paved area with RTGs and reefer points for stacking of containers	65,737,725.72	137,616 Sq m		
CT6 Phase I:					
Wharf	Open-piled container terminal structure with one (1) access bridge and quay cranes. This terminal is able to accommodate vessels of up to 180,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 16,000 TEUs	92,224,868.64	300 metres	1	17
Yard	Open paved area with RTGs and reefer points for stacking of containers	23,576,447.28	46,272 Sq m		
CT6 Phase II:					
Wharf	Open-piled container terminal wharf structure with two (2) access bridges and quay cranes. This terminal is able to accommodate vessels of up to 200,000 tonnes and is mainly used to handle vessels with a carrying capacity of up to 18,000 TEUs	107,210,061.17	300 metres	1	17
Yard	Open paved area with RTGs for stacking of containers	57,874,777.28	92,494 Sq m		

The CFO dated 26 October 2004 covers all the structures listed in CT1 and CT2 in the table above, save for the Container Gate in CT1, the CFO application for which has been submitted to the MPK under 'Program Pemutihan' on 14 August 2013. The application for the requisite CFO for CT3 will be submitted to the MPK after the completion of the inspection of the terminal by the respective GOM agencies, namely the MPK, the Fire and Safety Department of Malaysia ("**Fire Department**"), the Department of Irrigation and Drainage, Syarikat Bekalan Air Selangor Sdn. Bhd., Tenaga Nasional Berhad, the Department of Environment and the Marine Department, which is expected to take approximately six (6) months after the MPK's approval of the building plan for CT3 which was submitted on 30 August 2013. The application for the requisite CFOs for CT4 and CT5 will be submitted to the MPK after the re-inspection by the Fire Department of the main fire pumps and pillar hydrants located at the respective terminals, which is expected to take place by end September 2013. The CFO for CT6 Phase I was issued on 5 March 2013. The application for the requisite CFO for CT6 Phase II was submitted on 31 January 2013. It is expected that the CFO for CT6 Phase II will be issued upon completion of the re-inspection by the Fire Department, which is also expected to take place by end September 2013.

Note:

(1) Refer to Section 7.6.1 of this Prospectus for further information on capacity and utilisation of our container operations.

ANNEXURE B: LIST OF OUR MAJOR LICENCES AND PERMITS

No.	Licensee/ Contractor	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration number	Description of licences	Date of grant/ renewal	Expiry date	Salient conditions	Status of compliance
1.	WMSB	PKA	Not applicable	Port Licence granted to WMSB for the business of operating, managing and providing port facilities and services in Port Klang under section 3(2)(v) of the Port Authorities Act and section 9(3)(a) of the Ports Privatisation Act	This licence came into force on 1 September 1994 and shall remain in force for a period of 30 years.	30 years from 1 September 1994	For further details, please refer to Section 7.21.2 of this Prospectus	Complied
2.	WMSB	PKA	Not applicable	Supplementary licence granted to WMSB in relation to the licence dated 1 September 1994 issued under section 9(3)(a) of the Ports Privatisation Act	1 January 2010 and shall be co-terminus with the concession period of the Privatisation Agreement to the intent that if the period of the concession is extended or, where appropriate, renewed on identical terms for the extended period.	Not applicable	Not applicable	Not applicable
3.	WMSB	CyberSecurity Malaysia, an agency under the Ministry of Science, Technology and Innovation	003-IS003	Management, operation and maintenance of the information assets and information systems that enable the management, handling and tracking of import and export container movement at Container Gate in WMSB. CyberSecurity Malaysia certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standard MS ISO/IEC 27001: 2007	7 May 2012	6 May 2015	Not applicable	Not applicable

ANNEXURE B: LIST OF OUR MAJOR LICENCES AND PERMITS *(cont'd)*

No.	Licensee/ Contractor	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration number	Description of licences	Date of grant/ renewal	Expiry date	Salient conditions	Status of compliance
4.	WMSB	Cosmos N.V.	BID95020	Cosmos N.V. grants to WMSB a temporarily non-exclusive and non-transferable right to use The Software in accordance with the Software Licence Agreement during the term. The Software means all software programs plus software maintenance modifications, in "Object code Only" version, supplied by Cosmos N.V. and necessary to use all software functions and software options, according to the descriptions as set forth in the documentation.	25 October 1995	Ends six (6) months after one (1) of the parties terminates this Software License Agreement dated 25 October 1995	1. Public disclosure of any commercial or financial information or trade secrets of Cosmos N.V. which are confidential shall not be made without prior written permission of Cosmos N.V. 2. Either party undertakes to treat as strictly confidential all data related to their commercial activities which are communicated or disclosed within the scope of the present agreement, even after termination. 3. To protect the Licensor's rights, the Licensee shall take sufficient care so as to not disclose any confidential information and manufacturing secrets contained in The Software to third parties.	Complied
5.	Westports Malaysia	Department of Occupational Safety and Health	15 Certificates of Fitness	<u>Passenger Lifts</u> Certificate of Fitness for Hoisting Machine(1)	21 May 2013 – 16 July 2013	11 March 2014 – 10 June 2014	Not applicable	Not applicable
6.	Westports Malaysia	Department of Occupational Safety and Health	21 Certificates of Fitness	<u>Quayside Container Cranes</u> Certificate of Fitness for Hoisting Machine(1)	5 June 2012 – 1 May 2013	9 July 2013(2) – 11 July 2014	Not applicable	Not applicable
7.	Westports Malaysia	Department of Occupational Safety and Health	4 Certificates of Fitness	<u>Quaycrane Passenger Hoists</u> Certificate of Fitness for Hoisting Machine(1)	9 July 2012	24 August 2013(2)	Not applicable	Not applicable

ANNEXURE B: LIST OF OUR MAJOR LICENCES AND PERMITS *(cont'd)*

No.	Licensee/ Contractor	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration number	Description of licences	Date of grant/ renewal	Expiry date	Salient conditions	Status of compliance
8.	Westports Malaysia	Department of Occupational Safety and Health	4 Certificates of Fitness	Bridge Crane at Container Cranes Certificate of Fitness for Hoisting Machine[(1)]	9 July 2012	24 August 2013[(2)]	Not applicable	Not applicable
9.	Westports Malaysia	Department of Occupational Safety and Health	34 Certificates of Fitness	Air Receivers Certificate of Fitness for Unfired Pressure Vessel[(1)]	1 May 2013 – 17 July 2013	4 March 2014 – 10 September 2014	Not applicable	Not applicable
10.	Westports Malaysia	Department of Occupational Safety and Health	14 Certificates of Fitness	Container Handling Cranes Certificate of Fitness for Hoisting Machine[(1)]	7 June 2012 – 16 July 2013	9 July 2013[(2)] – 10 June 2014	Not applicable	Not applicable
11.	Westports Malaysia	Department of Occupational Safety and Health	41 Certificates of Fitness	Passenger & Material Hoists Certificate of Fitness for Hoisting Machine[(1)]	10 January 2013 – 16 August 2013	11 February 2014 – 10 September 2014	Not applicable	Not applicable
12.	Westports Malaysia	Department of Occupational Safety and Health	7 Certificates of Fitness	Maintenance Cranes Certificate of Fitness for Hoisting Machine[(1)]	6 June 2013	10 January 2014	Not applicable	Not applicable
13.	Westports Malaysia	Department of Occupational Safety and Health	24 Certificates of Fitness	Overhead Travelling Cranes (single/double girder) Certificate of Fitness for Hoisting Machine[(1)]	17 December 2012 – 17 July 2013	18 January 2014 – 10 September 2014	Not applicable	Not applicable
14.	Westports Malaysia	Department of Occupational Safety and Health	11 Certificates of Fitness	Portainer Cranes Certificate of Fitness for Hoisting Machine[(1)]	21 May 2013 – 30 May 2013	17 March 2014	Not applicable	Not applicable

ANNEXURE B: LIST OF OUR MAJOR LICENCES AND PERMITS *(cont'd)*

No.	Licensee/ Contractor	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration number	Description of licences	Date of grant/ renewal	Expiry date	Salient conditions	Status of compliance
15.	Westports Malaysia	Department of Occupational Safety and Health	11 Certificates of Fitness	Maintenance Hoists Certificate of Fitness for Hoisting Machine(1)	7 June 2012 – 17 July 2013	11 March 2014 – 10 June 2014	Not applicable	Not applicable
16.	Westports Malaysia	Department of Occupational Safety and Health	59 Certificates of Fitness(3)	Rubber Tyre Transtainers Certificate of Fitness for Hoisting Machine(1)	5 June 2012 – 16 August 2013	9 July 2013(2) – 12 September 2014	Not applicable	Not applicable
17.	Westports Malaysia	Department of Occupational Safety and Health	56 Certificates of Fitness(3)	RTGs Certificate of Fitness for Hoisting Machine(1)	5 June 2012 – 16 August 2013	9 July 2013(2) – 12 September 2014	Not applicable	Not applicable
18.	Westports Malaysia	Department of Occupational Safety and Health	10 Certificates of Fitness	Air Receiver Tanks Certificate of Fitness for Unfired Pressure Vessel(1)	5 June 2012 – 17 July 2013	9 July 2013(2) – 10 September 2014	Not applicable	Not applicable
19.	Westports Malaysia	Department of Occupational Safety and Health	2 Certificates of Fitness	Grab Unloader Cranes Certificate of Fitness for Hoisting Machine(1)	8 October 2012	24 December 2013	Not applicable	Not applicable
20.	Westports Malaysia	Department of Occupational Safety and Health	2 Certificates of Fitness	Compressors Certificate of Fitness for Unfired Pressure Vessel(1)	8 October 2012	24 December 2013	Not applicable	Not applicable

Items 5 to 20 in the table above amount to a total of 315 certificates of fitness. These 315 certificates of fitness comprises of:

(a) 177 certificates of fitness for the 45 quay cranes currently in operation (there should be a total of 180 certificates of fitness for the said quay cranes but we currently hold only 177 certificates of fitness and are currently in the process of applying for these 3 new certificates of fitness from the Department of Occupational Safety and Health and these new certificates of fitness are expected to be obtained by end December 2013);

(b) 115 certificates of fitness for each of the RTGs currently in operation; and

ANNEXURE B: LIST OF OUR MAJOR LICENCES AND PERMITS *(cont'd)*

(c) 23 certificates of fitness for other machineries and equipment currently being utilised by our Group.

Notes:

(1) Granted under the Factories and Machineries Act 1967 pursuant to Regulation 10(2) of The Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations 1970.

(2) As at the LPD, applications for the renewal of the certificates of fitness have been submitted to the Department of Occupational Safety and Health. The renewed certificates of fitness are expected to be obtained by end September 2013.

(3) Comprises all the certificates of fitness for each of the 115 RTGs currently in operation.

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ANNEXURE C: LIST OF OUR TRADEMARKS

Trademark	Registered Owner	Place of Registration	Trademark No.	Expiry Date	Class of Trademark
	WMSB	Malaysia	96006023	7 June 2023	16
WESTPORTS WESTPORTS WESTPORTS	WMSB	Malaysia	96006024	7 June 2023	16
WESTPORT WESTPORT	WMSB	Malaysia	96006025	7 June 2023	16
	WMSB	Malaysia	08015026	31 July 2018	39
WESTPORTS WESTPORTS WESTPORTS	WMSB	Malaysia	08015025	31 July 2018	39
WESTPORTS	WMSB	Malaysia	05015360	14 September 2015	39

ANNEXURE C: LIST OF TRADEMARKS OWNED BY OUR GROUP *(cont'd)*

Trademark	Registered Owner	Place of Registration	Trademark No.	Expiry Date	Class of Trademark
WESTPORTS PROVEN. TRUSTED. FRIENDLY. WESTPORTS PROVEN. TRUSTED. FRIENDLY.	Refer to note 1	Refer to note 1	Refer to note 1	Refer to note 1	Refer to note 1

Notes:

Class 16 - (brochures, leaflets; memo pads; magazines, note pads, complimentary slips; calendars; envelopes; diaries; tickets; stickers; books, booklets, printed matters; photographs; paper and paper products, plastic materials for packaging (not included in other classes), files, boxes, binders; postcards, cards, name cards; posters, signboards; book-marks, playing cards; flip-charts; paperweights; pens, pencils, stationery, pencil holders; printing blocks; all included in class 16).

Class 39 - (logistics services for transport and storage of goods and materials; transport information services; storage information services; lighterage, towing services, hauling, cash and valuable transportation services, inland transportation services, piloting documents package transportation services, barge transport, ships transport services, rental of ships, transport of trash, ferry-boat transport, removal services, door to door delivery service, harbour facilities operating services, ships brokerage, freight forwarding, freight forwarding brokerage, freight loading and unloading services, freight transportation brokerage, warehousing, rental of warehouse, water distribution, cargo handling and storage; all included in class 39).

(1) WMSB had on 27 June 2011 submitted an application (No. 2011011685) to the Intellectual Property Corporation Malaysia for the registration of the trademark under class 39, in Malaysia. As at the LPD, the trademark is pending registration.

BY-LAWS FOR THE WESTPORTS IPO TRUST SCHEME

1. Definitions and interpretation

1.1 In these By-Laws, the following words and expressions shall bear the following meanings, unless the context otherwise requires.

"Act"	Companies Act, 1965 as amended from time to time and any re-enactment thereof;
"Authorised Nominee"	a person who is authorised to act as a nominee as specified in accordance with the schedule prescribed under Part VIII of the Rules of Bursa Depository;
"Articles"	the articles of association of the Company as amended from time to time;
"Board"	the board of directors of the Company for the time being;
"Bursa Depository"	Bursa Malaysia Depository Sdn Bhd (165570-W);
"Bursa Securities"	Bursa Malaysia Securities Berhad (635998-W);
"By-Laws"	collectively, the terms and conditions of the Scheme as set forth in these By-Laws as amended, modified and/or supplemented from time to time;
"CDS"	the Central Depository System established, administered and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository;
"CDS Account"	the account established by Bursa Depository for a depositor for the recording of deposit of securities and dealings in such securities by that depositor of securities;
"Company"	Westports Holdings Berhad (262761-A), a public company with limited liability and incorporated under the Act;
"Contributing Shareholder"	Pembinaan Redzai Sdn Bhd (143419-T), private company with limited liability and incorporated under the Act;

"Date of Grant"	in respect of a Grant, the date of the letter containing the Grant to an Eligible Employee in respect of the Scheme;
"Disciplinary Proceedings"	proceedings instituted by a Group Company against a Scheme Participant for any alleged misbehaviour, misconduct and/or any other act of the Scheme Participant deemed to be unacceptable by that Group Company in the course of that Scheme Participant's employment, whether or not such proceedings may give rise to a dismissal or termination of the contract of service of such Scheme Participant;
"Effective Date"	the date of the IPO and the listing and quotation of the Shares on the Main Market of Bursa Securities;
"Eligible Employee"	an employee of a Group Company (excluding Directors of a Group Company) who is eligible to participate in the Scheme as set forth in By-Law 2.1, and "Eligible Employees" means any two or more of them;
"Grant"	the grant made in writing by the Remuneration Committee to an Eligible Employee in the manner indicated in By-Law 4 in conjunction with the IPO and conditional upon the listing of Shares on the Main Market of Bursa Securities;
"Group" or "Group Company"	any one of the Company and the Subsidiaries, and "Group Companies" means any two or more of them;
"IPO"	means the initial public offering of the Shares via an offer for sale by the Selling Shareholders;
"IPO Price"	the price at which a Scheme Participant shall be entitled to a Share pursuant to the Share Entitlement as provided in By-Law 5.1;
"Market Day"	any day between Monday and Friday (both days inclusive) which is not a public holiday, and on which Bursa Securities is open for the trading of securities;
"Notice of Election"	the notice that is given by the Scheme Participant to the Company whereby the Scheme Participant shall elect the method of exercise of his Share Entitlement in accordance with the provisions of By-Law 7.2;
"Record Date"	for the purposes of By-Law 12.1, the date as of the close of business on which shareholders must be registered as members of the Company in order to participate in any dividend, right, allotment or other distribution;
"Remuneration Committee"	the committee referred to in By-Law 13.2;
"RM"	the Ringgit, the legal currency of Malaysia;
"SC"	Securities Commission Malaysia;
"Scheme"	the "Westports IPO Trust Scheme" constituted under the Trust Deed for the benefit of the employees of Westports Group;
"Scheme Participant"	means an Eligible Employee who has been awarded a Grant in accordance with these By-Laws;

"Scheme Period"	a period of one (1) year from the Effective Date or any other time period as determined by the Remuneration Committee;
"Selling Shareholders"	means collectively, the Contributing Shareholder, Dinamik Imbangan Sdn Bhd, Semakin Ajaib Sdn Bhd, South Port Investment Holdings Limited and Lankayan Ventures Sdn Bhd, being parties undertaking the offer for sale pursuant to the IPO;
"Share Entitlement"	an entitlement to receive Shares under this Scheme by a Scheme Participant;
"Shares"	ordinary shares of RM0.10 each in the capital of the Company (unless otherwise adjusted), and "Share" means any one of them;
"Subsidiaries"	means subsidiaries of the Company within the meaning of Section 5 of the Act, which are not dormant, and shall include such subsidiaries which are existing as at the date of the Trust Deed and those subsequently acquired or incorporated at any time during the Scheme Period;
"Target Selling Price"	the price as specified by a Scheme Participant in the Notice of Election;
"Trust"	means the Trust constituted pursuant to the Trust Deed for the purposes of this Scheme;
"Trustee"	Maybank Trustees Berhad (5004-P) and any other person or persons for the time being the Trustee pursuant to the Trust Deed;
"Trustee's CDS Account"	means the omnibus CDS Account to be opened by the Trustee or an authorised nominee and to be operated solely by the Trustee for the purposes set out in this Scheme and in accordance with the Trust Deed;
"Trust Deed"	means the Trust Deed dated 5 September 2013 constituting the Trust; and
"Vesting Date"	The date on which the Shares pursuant to a Share Entitlement vests in the Scheme Participant.

1.2 In these By-Laws, unless the context otherwise requires:

(a) the headings to the provisions are for convenience only, and shall not be taken into account in the interpretation of these By-Laws;

(b) any word importing:

(i) the singular meaning includes the plural meaning and vice versa; and

(ii) the masculine gender includes the feminine gender and vice versa;

(c) any liberty or power which may be exercised, and/or any determination which may be made, under these By-Laws:

(i) by the Board may be exercised in the Board's sole discretion; and

(ii) by the Remuneration Committee may be exercised in the Remuneration Committee's sole discretion, but subject always to the Board's power to overrule any decision of the Remuneration Committee;

(d) if an event is to occur on a stipulated day which is not a Market Day, then the stipulated day shall be taken to be the first Market Day after that day; and if an event is to occur on a stipulated day which falls after the expiry of the Scheme then the stipulated day shall be taken to be the last Market Day of the Scheme's tenure; and

(e) in the event of any change in the name of the Company from its present name, all references to "Westports Holdings Berhad" in these By-Laws and all other documents pertaining to the Scheme shall be deemed to be references to the Company's new name.

2. Eligibility

2.1 Eligible Employees may be selected for the purposes of this Scheme by the Remuneration Committee in conjunction with the IPO. The determination of eligibility for participation of Eligible Employees shall be at the discretion of the Remuneration Committee.

2.2 Eligibility under this Scheme does not confer on any Eligible Employee any claim, right to participate in, or any other right whatsoever under this Scheme, and an Eligible Employee does not acquire or have any right over, or in connection with, any Share Entitlement under this Scheme unless a Grant has been made by the Remuneration Committee to that Eligible Employee in accordance with the terms of the Grant and these By-Laws.

2.3 An Eligible Employee or Scheme Participant may participate at any time in another employee share scheme or share option scheme of any Group Company, unless the Remuneration Committee otherwise determines in its discretion.

3. Maximum amount of Shares available under this Scheme

3.1 The total number of Shares available under this Scheme shall not exceed the total number of Shares comprising the Trust.

4. Grant

4.1 The aggregate number of Shares that may be granted to any one of the Eligible Employees under this Scheme shall be determined by the Remuneration Committee (subject always to these By-Laws and any applicable law).

4.2 The Remuneration Committee may, in conjunction with the IPO, make a Grant to any Eligible Employee, whom the Remuneration Committee may select for the purposes of this Scheme.

4.3 A Grant will comprise a Share Entitlement, whereby an Eligible Employee is granted the right to have a number of Shares vest in the Eligible Employee on the Vesting Date specified in the Grant.

4.4 A Grant shall be made in writing and may be in a form as prescribed by the Remuneration Committee and upon such terms and conditions as may be determined by them.

5. Share Entitlement

5.1 The price at which the Scheme Participant shall be entitled to a Share pursuant to a Share Entitlement shall be the price at which a Share is offered to the retail investors under the IPO.

6. Non-transferability of the Share Entitlement

6.1 A Share Entitlement is personal to the Scheme Participant thereof, and cannot be assigned, encumbered, transferred to or otherwise disposed of in any manner whatsoever, except that in the case where a Scheme Participant is not a resident in Malaysia, the Share Entitlement that is for the benefit of that non-resident Scheme Participant may then be held and its rights exercised by or in favour of any person who represents, is a nominee of, is an agent of, and/or is a trustee of, that Scheme Participant. For the avoidance of doubt, the restriction in this By-Law 6.1 shall apply to any person who represents, is a nominee of, is an agent of and/or is a trustee of that Scheme Participant, to the extent where any assignment, transfer or disposal thereby is in favour of any person other than the Scheme Participant. Any person who purports to be a representative, nominee of, agent of, and/or is a trustee of, that Scheme Participant may be required by the Remuneration Committee to provide satisfactory evidence to the Remuneration Committee of his status as such representative, nominee of, agent of, and/or trustee of, that Scheme Participant, as the case may be.

7. Vesting of Shares

7.1 The Shares pursuant to a Share Entitlement shall vest in the Scheme Participant in accordance with the terms of the Share Entitlement and these By-Laws:

(a) during his employment or tenure as a Scheme Participant with a Group Company (unless otherwise expressly provided under these By-Laws); and

(b) during the normal business hours of the Company on such days and/or during such periods as the Remuneration Committee may decide for the purposes of vesting of the Share Entitlements,

provided that no Shares under a Share Entitlement shall vest beyond the expiry of the duration of this Scheme as provided for in By-Law 16. The Shares under a Share Entitlement shall vest in multiples of and no less than one hundred (100) Shares.

7.2 During the stipulated Scheme Period, a Scheme Participant may exercise his Share Entitlement. To exercise a Share Entitlement, a Scheme Participant shall submit a Notice of Election (in a form prescribed by and on terms and conditions as may be determined by the Remuneration Committee) to the Company and shall elect therein to either:

(i) instruct the Trustee to have all or a specified number of the Shares comprised in the Share Entitlement credited directly to his CDS Account or to the CDS Account of his Authorised Nominee (as the case may be). In such case the Scheme Participant is required to provide payment of the IPO Price which shall be payable in cash and which shall be remitted to the Trustee; or

(ii) irrevocably authorise the Trustee to sell all or a specified number of the Shares comprised in the Share Entitlement at a price which is not less than the Target Selling Price and for the proceeds of such sale to be remitted directly to him, net of the IPO Price and all applicable transaction and/or administrative costs. The Trustee shall sell all or such specified number of Shares comprised in the Share Entitlement in accordance with this provision within five (5) Market Days from receipt of such Notice of Election forwarded by the Company subject to the price of a Share being at or above the Target Selling Price. If the price of a Share remains below the Target Selling Price throughout the said period, then the Notice of Election shall be deemed revoked and be of no further force and effect, and the Trustee is not obliged to proceed with the sale of the Shares.

7.3 The Notice of Election given by a Scheme Participant shall, among others, specify:

(i) the number of Shares comprised in the Share Entitlement which the Trustee is to credit to the Scheme Participant's CDS Account; or

(ii) the number of Shares comprised in the Share Entitlement which the Trustee is supposed to sell and the Target Selling Price.

8. Take-over, merger or reconstruction

8.1 Notwithstanding anything to the contrary, in the event of any take-over offer being made for the issued share capital of the Company, or a selective capital reduction exercise, scheme of arrangement or reconstruction being undertaken whereby all of the issued share capital of the Company is to be acquired (or all of the issued share capital of the Company ends up in the hands of one or more sponsor of such proposal), whether by way of a general offer or otherwise or the Company's amalgamation or merger with any other company or companies, the Remuneration Committee may decide:

(a) to alter the Scheme Period; and/or

(b) to alter the terms of any Share Entitlement,

but in the absence of any such decision by the Remuneration Committee, upon any such take-over offer or any of the abovementioned corporate proposals becoming or being declared unconditional, the Remuneration Committee shall allow, within one (1) month from the date on which such take-over offer or corporate proposal becomes or is declared unconditional (or such shorter period expiring on the day immediately prior to the date on which the offer or proposal is to expire or to complete, if such period is shorter than the said one-month period), for such Share Entitlements to be exercised fully, provided that if during such period a party becomes entitled or bound to exercise the rights of compulsory acquisition under the provisions of any applicable law, and gives notice to the Company and/or any member of the Company that it intends to exercise such rights on a specified date, the Share Entitlements shall be fully exercised by the Scheme Participant on the day immediately prior to that specified date, but no later.

9. Termination of Share Entitlement

9.1 In the event of the cessation of employment of a Scheme Participant with a Group Company for whatever reason, prior to the exercise of his Share Entitlement ("**Cessation of Employment**"), such Share Entitlement shall forthwith cease to be valid without the Scheme Participant having any claim against the Company and shall immediately lapse. Upon the occurrence of a Cessation of Employment, the Trustee shall, at the election of the Contributing Shareholder and within ten (10) Market Days from the date of Cessation of Employment, either:

(i) transfer such Shares comprising the lapsed Share Entitlements to the Contributing Shareholder; or

(ii) sell such Shares comprising the lapsed Share Entitlements at the prevailing market price and forward the cash proceeds of such sale to the Contributing Shareholder.

9.2 Notwithstanding the provisions of By-Law 9.1, if such Cessation of Employment occurs by reason of:

(a) retirement on attaining the normal retirement age under the Group's retirement policy;

(b) retirement before attaining that normal retirement age;

(c) ill-health, injury, physical or mental disability;

(d) redundancy or retrenchment, pursuant to the acceptance by that Scheme Participant of a voluntary separation scheme offered by the relevant Group Company; or

(e) any other circumstance which is acceptable to the Remuneration Committee,

that Scheme Participant's rights in respect of such Share Entitlement shall remain unaffected, subject to these By-Laws.

9.3 Subject to By-Laws 9.1 and 9.2, upon the resignation of the Scheme Participant from his employment with the relevant Group Company, a Share Entitlement shall lapse forthwith on the date the Scheme Participant tenders his resignation.

9.4 Where a Scheme Participant dies before the expiry of the Scheme Period, the Remuneration Committee may determine that the unexercised Share Entitlement held by the Scheme Participant are exercisable by the legal or personal representative of that Scheme Participant, provided always that no unexercised Share Entitlement may be exercised after the expiry of the Scheme Period. In this regard, the Remuneration Committee may require the said personal or legal representative to provide evidence satisfactory to the Remuneration Committee of his status as such legal or personal representative.

10. Alteration in share capital

10.1 Subject to the provisions of By-Law 10.4, in the event of any alteration in the capital structure of the Company during the duration of the Scheme, whether by way of capitalisation of profits or reserves, bonus issues, capital reduction, capital repayment, sub-division or consolidation of capital, or otherwise howsoever taking place, the Remuneration Committee may make such corresponding alterations (if any) to the Scheme.

10.2 Alterations may be made to:

(a) the number of Shares comprised in a Share Entitlement; and/or

(b) the price at which the Scheme Participant shall be entitled to a Share pursuant to a Share Entitlement.

10.3 Any Shares to be allotted pursuant to the corporate proposals mentioned in By-Law 10.1 shall rank pari passu in all respects with the then existing Shares of the Company, provided that if there is any right to participate in any dividend, right, allotment or other distribution, the Shares shall rank pari passu with the then existing Shares only if the relevant allotment date of such Shares is before the Record Date for that dividend, right, allotment or distribution.

10.4 In the event of a rights issue, offer for sale or such other subscriptions which all shareholders of the Company are entitled to participate on a pro-rata basis, the Scheme Participants shall also be entitled to participate via the Trustee. Any such Shares paid for and taken up by the Scheme Participants pursuant to such rights entitlement shall be directly transferred into the CDS Account of such Scheme Participants within five (5) Market Days from the date of crediting such Shares to the Trustee's CDS Account or on such other date as may be determined by the Remuneration Committee.

10.5 The alterations as set out in By-Law 10.2 shall be in such a manner as to give the Scheme Participant a fair and reasonable Share Entitlement, as certified in writing (other than for adjustments made pursuant to a bonus issue) by the external auditor or adviser (which must be a principal adviser under the SC's Guidelines on Principal Advisers for Corporate Proposals) of the Company (acting as an expert and not as an arbitrator) as being in its opinion fair and reasonable and such certification shall be final and binding in all respects, provided that:

(a) upon any adjustment being made pursuant to By-Law 10.2, the Remuneration Committee shall notify the Scheme Participant (or his personal representatives, where applicable) in writing of the adjusted number of Shares comprised in the Share Entitlement, and/or price at which the Scheme Participant shall be entitled to a Share pursuant to a Share Entitlement, that may be exercisable by them; and

(b) in the event that a fraction of a Share arising from the adjustments referred to in By-Law 10.2 would otherwise be required to be issued upon the exercise of a Share Entitlement, the Scheme Participant's entitlement shall be rounded down to the nearest whole number.

10.6 Notwithstanding anything to the contrary, the provisions of this By-Law 10 shall not apply where the alteration in the capital structure of the Company arises from:

(a) any issue of new Shares or other securities as consideration (or part consideration) for an acquisition of any other securities, assets or business;

(b) any special issue of new Shares or other securities to Bumiputera investors nominated by the Malaysian government and/or any other relevant authority of the Malaysian government to comply with the Malaysian government's policy on Bumiputera capital participation;

(c) any private placement or restricted issue of new Shares or other securities by the Company;

(d) any implementation of a share buy-back arrangement by the Company under the Act; or

(e) any issue of warrants, convertible loan stocks or other instruments by the Company that gives a right of conversion into Shares or other securities, and any issue of new Shares or other securities arising from the exercise of any conversion rights attached to such convertible securities.

11. Disciplinary proceedings

11.1 For the avoidance of doubt, in the event that a Scheme Participant is subject to Disciplinary Proceedings (whether or not such Disciplinary Proceedings will give rise to a dismissal or termination of service), the Remuneration Committee may in its discretion suspend any one or more of the Scheme Participant's rights in respect of any Share Entitlement then held by him, pending the outcome of such Disciplinary Proceedings, provided always that:

(a) (for the avoidance of doubt) in the event that such Scheme Participant shall subsequently be found to be not guilty of all the charges which gave rise to such Disciplinary Proceedings, the Scheme Participant's rights in respect of any Share Entitlement then held by him shall remain unaffected (and where that Share Entitlement had been suspended, the suspension shall be lifted);

(b) in the event the Disciplinary Proceedings result in a dismissal or termination of service of such Scheme Participant, the Share Entitlement held by that Scheme Participant shall immediately lapse and be null and void and of no further force and effect upon the date of notice of the dismissal or termination of service of such Scheme Participant, notwithstanding that such dismissal or termination of service may be subsequently challenged by the Scheme Participant in any other forum; and

(c) in the event that the Disciplinary Proceedings result in a demotion of the Scheme Participant to a lower category of employment, the number of Shares comprised in the unexercised Share Entitlement held by that Scheme Participant at that time may be reduced by the Remuneration Committee in its sole discretion; but

in any case and notwithstanding anything to the contrary, in the event such Scheme Participant is found guilty of some or all of the charges but no dismissal or termination of service is recommended, the Remuneration Committee shall have the right to determine, whether or not the Share Entitlement may continue to be exercisable and, if so, to impose such limits, terms and conditions as it deems appropriate, in respect of such exercise (regardless of anything previously determined in respect of his Share Entitlement).

12. Rights to distributions

12.1 Subject to the provisions of By-Laws 9 and 11, the Scheme Participants shall be entitled to all dividends and other capital distributions arising from or attributable to the Shares comprising the Share Entitlements that have vest in accordance with this Scheme. The Trustee shall forward all dividends in relation to such Shares received by the Trustee to the Scheme Participant within five (5) Market Days from receipt of such dividends or other capital distributions.

13. Administration

13.1 This Scheme shall be administered by the Remuneration Committee established by the Board. Subject to these By-Laws, the Remuneration Committee may, for the purpose of administering this Scheme, do all acts and things and enter into any transaction, agreement, deed, document or arrangement, and make such rules and regulations, impose such terms and conditions, appoint any adviser, agent, trustee or nominee to facilitate the implementation and operation of this Scheme, and/or delegate all or any part of its powers or duties relating to this Scheme which the Remuneration Committee may in its discretion consider to be necessary or desirable for giving full effect to this Scheme.

13.2 The Remuneration Committee established by the Board consisting of such persons appointed by the Board from time to time shall administer the Scheme.

13.3 The Board shall have power at any time and from time to time to:

(a) approve, rescind and/or revoke the appointment of any member of the Remuneration Committee and appoint replacement members to the Remuneration Committee; and

(b) assume and/or exercise or execute any of the powers and authorities conferred upon the Remuneration Committee pursuant to these By-Laws.

14. Modification and/or amendment of these By-Laws

14.1 The terms and conditions of these By-Laws and this Scheme may from time to time be modified and/or amended by resolution of the Board, except that (unless expressly provided in these By-Laws) no such modification and/or amendment shall be made which would:

(a) prejudice the rights then accrued to any Scheme Participant without his prior written consent; and

(b) no amendment and alteration of this Scheme shall be made to the advantage of the Scheme Participants without the prior approval of the Company's members in a general meeting.

15. Liquidation of the Company

15.1 Upon the receipt of a court order of the winding-up of the Company, all unexercised Share Entitlements shall lapse and be null and void and of no further force and effect, and this Scheme shall terminate.

16. Duration of this Scheme

16.1 This Scheme shall be in force for a period of one (1) year commencing from the Effective Date. All unexercised Share Entitlements shall forthwith lapse upon the expiry of this Scheme and any remaining Shares shall be dealt with in accordance with the Trust Deed.

17. Retention period

17.1 The Shares transferred to a Scheme Participant pursuant to the exercise of a Share Entitlement under this Scheme will not be subjected to any retention period.

18. Costs and expenses of Scheme

18.1 All administrative costs and expenses incurred in relation to this Scheme, including but not limited to the Trustee's fees payable pursuant to the Trust Deed, shall be borne by the Company.

18.2 For the avoidance of doubt, all other costs, fees, levies, charges, and/or taxes (including, without limitation, income taxes) that are incurred by a Scheme Participant pursuant to the exercise of a Share Entitlement, and any holding or dealing of such Shares (such as (but not limited to) brokerage commissions and stamp duty) shall be borne by that transferee for his own account, and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

19. No compensation

19.1 A Scheme Participant who ceases to hold office or employment with the Company or any Group Company shall not be entitled to any compensation for the loss of any right or benefit, or prospective right or benefit, under this Scheme which he might otherwise have enjoyed, whether such compensation is claimed by way of damages for wrongful dismissal, other breach of contract or by way of compensation for loss of office.

19.2 No Scheme Participant, or legal or personal representative therefor, shall bring any claim, action or proceeding against the Contributing Shareholder, the Company, the Board, the Remuneration Committee, the Trustee or any other party for any compensation, loss or damages whatsoever and howsoever arising from the suspension of the exercise of Shares under a Share Entitlement, his Shares under a Share Entitlement not being exercisable for any reason whatsoever, and/or his Share Entitlement ceasing to be valid pursuant to the provisions of these By-Laws.

20. Disputes

20.1 In the event of a dispute between the Remuneration Committee, and a Scheme Participant, as to any matter or thing of any nature arising hereunder, the Board shall determine such dispute or difference by a written decision (without the obligation to give any reason for the same) given to the Remuneration Committee or Scheme Participant, as the case may be. The said decision of the Board shall be final and binding on the parties.

21. Inspection of audited accounts

21.1 All Scheme Participants shall be entitled to inspect a copy of the latest audited accounts of the Company, which shall be made available at the registered office of the Company during normal business hours on any working day of the Company.

22. The articles

22.1 Notwithstanding the terms and conditions contained in these By-Laws, if a situation of conflict should arise between these By-Laws and the Articles, the provisions of the Articles shall prevail at all times.

23. Errors and omissions

23.1 If in consequences of an error or omission, the Remuneration Committee discovers or determines that:

(a) an Eligible Employee who was selected to participate in this Scheme has not been given the opportunity to participate in this Scheme; or

(b) an employee was erroneously selected to participate in this Scheme; or

(c) the number of Shares transferred to any Scheme Participant on any occasion is found to be incorrect, the Remuneration Committee may do all such acts and things to rectify such error or omission including, but not limited to, all acts and things to ensure that the Eligible Employee is given the opportunity to participate in the Scheme and/or withdraw the Share Entitlement given to the employee who was erroneously selected to participate in the Scheme and/or to ensure that the Scheme Participant is credited with the correct number of Shares to which he is entitled to and/or payment in cash to the Scheme Participant in the case of settlement by way of cash (whichever is applicable).

24. Scheme not a term of employment

24.1 This Scheme shall not form part of, constitute or in any way be construed as any term or condition of employment of any Eligible Employee or Scheme Participant. This Scheme shall not confer or be construed to confer on any Eligible Employee or Scheme Participant any special right or privilege over and above the Eligible Employee's or Scheme Participant's terms and conditions of employment under which that Eligible Employee or Scheme Participant is employed.

25. Disclaimer of liability

25.1 Notwithstanding any provision contained herein, and subject to all applicable laws, the Contributing Shareholder, the Board, the Trustee, the Remuneration Committee and/or the Company, shall not, under any circumstance, be held liable for any damages, cost, loss and expense whatsoever and howsoever arising in any event, including but not limited to the Trustee's and/or Company's delay in transferring the Shares.

26. Notice

26.1 Any notice under this Scheme required to be given to or served upon a Scheme Participant shall be deemed to be sufficiently given, served or made if it is given, served or made by hand, by electronic mail, by facsimile transmission and/or by letter sent via ordinary post addressed to the Scheme Participant at his place of employment, to his electronic mail address, at his last facsimile transmission number known to the Company, or to his last-known address in Malaysia. Any notice served by hand, by facsimile, by electronic mail or post as aforesaid shall be deemed to have been received at the time when such notice (if by hand) is received and duly acknowledged, (if by facsimile transmission) is transmitted with a confirmed log print-out for the transmission indicating the date, time and transmission of all pages, (if by electronic mail) the despatch of the electronic mail, and (if by post) three (3) days after postage.

26.2 Any notice under the Scheme required to be given to or served upon the Board or the Remuneration Committee by a Scheme Participant shall be given, served or made in writing and delivered by hand or by registered post to the registered office of the Company (or such other office or place which the Board may have stipulated for this purpose).

27. Multiple jurisdictions

27.1 In order to facilitate the making of any Grant and/or exercise of Share Entitlements under this Scheme, the Remuneration Committee may provide for such special terms to apply to Grants and/or Share Entitlements to Scheme Participants who are employed by a Group Company in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the Remuneration Committee may consider necessary or appropriate to accommodate differences in applicable law, tax policy or custom. Moreover, the Remuneration Committee may approve such supplements to or amendments, restatements or alternative versions of, the Scheme as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of the Scheme as they are in effect for any other purpose, and the secretary of the Company or any other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Scheme. No such special terms, supplements, amendments or restatement, however, shall include any provision that is inconsistent with the terms of this Scheme as then in effect unless this Scheme could have been amended to eliminate such inconsistency.

28. Electronic platform

28.1 In the event this Scheme or any part thereof is implemented via the use of an electronic platform, the Company shall use reasonable measures to ensure the accuracy and reliability of the electronic platform. The Company shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs the Scheme Participant or any other person may suffer or incur due to, as a consequence of or in connection with the failure of such electronic platform or any inaccuracies, changes, alterations, deletions or omissions which may occur in connection with or as a result of any fault with web browsers or other relevant software, operating system or other software, viruses or other security threats, and or problems occurring during data transmission which may delay or affect in any way whatsoever the implementation of this Scheme.

29. Severability

29.1 Any term, condition, stipulation and/or provision in these By-Laws which is illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability, but the same shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation and/or provision contained in these By-Laws.

30. Governing law

30.1 This Scheme, these By-Laws, and all Grants and Share Entitlements made and granted and actions taken under this Scheme shall be governed by and construed in accordance with the Malaysian law and the Scheme Participants irrevocably submit to the exclusive jurisdiction of the courts of Malaysia.

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