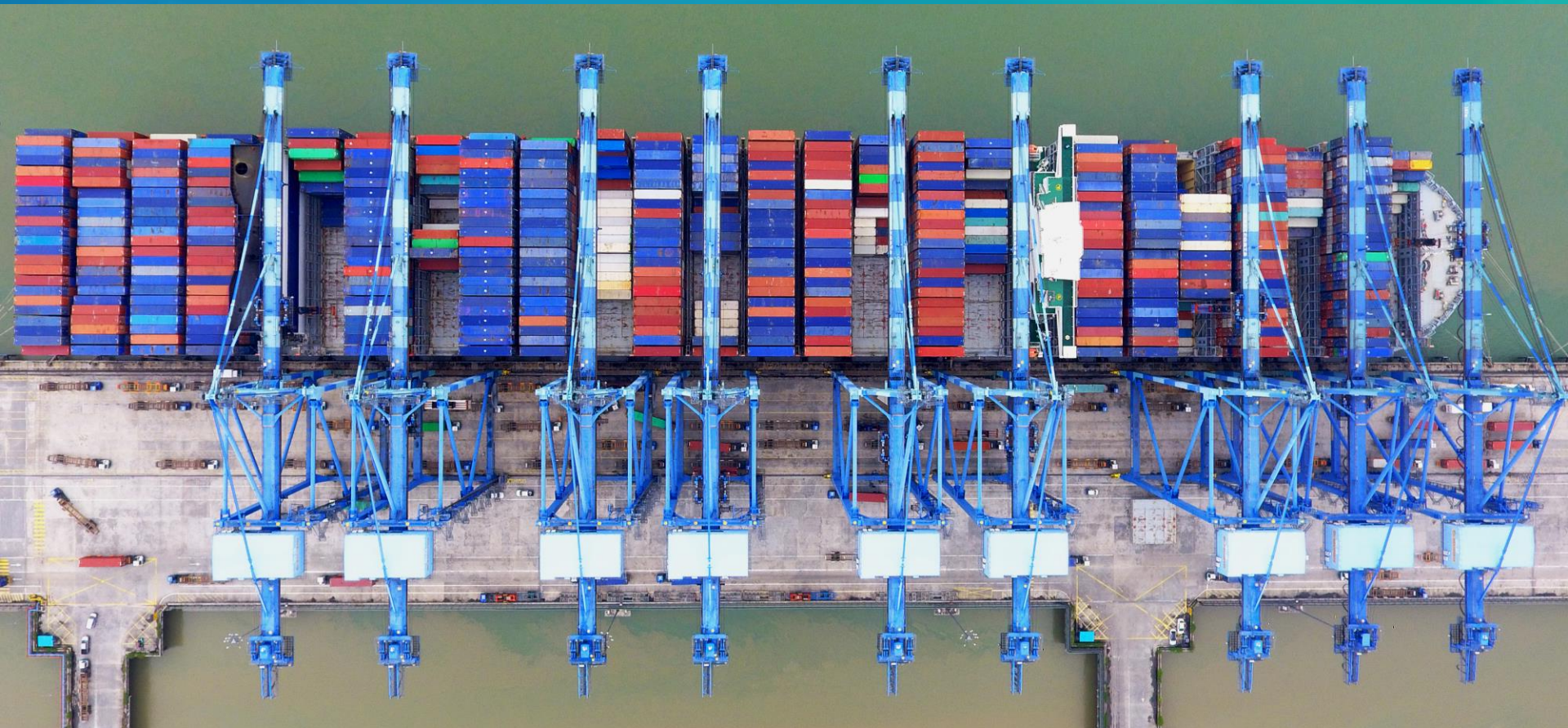




Westports Holdings Berhad

1st Quarter 2021 Financial Report
28th April 2021



Revenue

- **1Q21** Container revenue improved +9% whilst container volume +5%, mainly due to higher VAS. Conventional revenue increased with higher break bulk imports and higher RORO units handled
- Marine Revenue with less calls but average container moves handled per call increased. IC12 for LBT5 and Yard 8 construction

Segmental Revenue (RM million)

Revenue RM million	1Q21	1Q20	% YoY	% Split	4Q20	% QoQ	YTDDec20	YTDDec19	% YoY	% Split
Container	432	396	9%	87.1%	412	5%	1,605	1,537	4%	87.4%
Conventional	35	31	13%	7.0%	33	4%	116	122	-5%	6.3%
Marine	17	20	-13%	3.5%	17	1%	76	83	-9%	4.1%
Rental	12	10	21%	2.4%	10	16%	39	41	-3%	2.1%
Op. Revenue[^]	496	457	8%	100%	473	5%	1,836	1,783	3%	100%
Construction	12	17	-25%	-	69	-82%	139	0	nm	-
Total Revenue[^]	508	473	7%	-	542	-6%	1,975	1,783	11%	-

- **1Q21** Manpower cost with higher headcount and annual increments. Fuel cost due to higher MOPS price and fuel consumption.
- M&R cost with cycle of preventive maintenance for Quay Cranes and also RTG cranes. Depreciation charges capitalised 12 RTGC and Yard Zone Z

Cost Of Sales Breakdown (RM million)

Cost RM million	1Q21	1Q20	% YoY	% Split	4Q20	% QoQ	YTDDec20	YTDDec19	% YoY	% Split
Manpower	64	60	7%	35.3%	63	2%	238	213	12%	35.4%
Depreciation	49	47	4%	26.7%	49	0%	191	187	2%	28.3%
Fuel	26	22	17%	14.3%	21	24%	79	105	-25%	11.7%
M&R	19	17	13%	10.5%	20	-4%	73	75	-4%	10.8%
Electricity	10	10	2%	5.7%	12	-11%	45	39	15%	6.7%
Others	14	12	17%	7.6%	14	-2%	49	52	-6%	7.3%
Op. Cost[^]	182	168	9%	100%	178	2%	674	671	0%	100%
Construction	12	16	-25%	-	68	-82%	138	0	nm	-
Total Cost[^]	194	184	6%	-	246	-21%	812	671	21%	-

Overall Results & Profitability Margins

		1Q21	1Q20	%Chg	4Q20	% QoQ	YTDDec20	YTDDec19	%Chg	On YTD Performance
Container	m TEUs	2.66	2.52	5%	2.77	-4%	10.50	10.86	-3%	Gateway +3%. Transshipment +7%. TS/restow empties +14% as they are reallocated mostly to Far East. Total empties at 25%, up from 24%. Conventional growth BB, LB, RORO
Conventional	m MT	3.03	2.75	10%	3.19	-5%	10.87	9.87	10%	
Op. Revenue		496	457	8%	473	5%	1,836	1,783	3%	Faster container revenue growth with higher VAS. Manpower cost up as operational headcount +12%. Fuel cost up with higher MOPS price and usage. M&R cost with cycles of preventive maintenance for cranes. Depreciation reflected inclusion of RTG cranes and CT9 Zard Zone Z
Op. Cost Of Sales		-182	-168	9%	-178	2%	-674	-671	0%	
Gross Profit		314	289	8%	296	6%	1,163	1,112	5%	Other Income included RM20.0m insurance recovery for QC51-52. Administrative Expenses reduced with absence of general provision made in 1Q20. Adjusting* for one-off items in 1Q21, EBITDA will be lower at RM320.7m, EBITDA margin of 64.7% is still higher than 1Q20
EBITDA		354	282	25%	299	19%	1,191	1,105	8%	
EBITDA %		71.4%	61.8%		63.1%		64.9%	62.0%		
Results From Op. Act.		288	217	33%	235	23%	930	849	10%	
Profit Before Tax		274	202	36%	218	25%	865	774	12%	PBT % calculated using operational revenue at denominator (excluding construction revenue) still improved over 1Q20 to 48.4% when adjusted for items* mentioned. Finance Cost eased, RM100m Sukuk repayment in Aug20 and RM50m in Mar21. Outstanding Sukuk now RM1,250m
PBT %		55.2%	44.2%		46.1%		47.1%	43.4%		
Tax		-65	-49	33%	-55	19%	-211	-183	15%	
Tax %		-23.9%	-24.3%		-25.1%		-24.3%	-23.6%		
Profit After Tax[^]		208	153	36%	163	27%	654	591	11%	After tax rate of 23.9%, reported PAT +36% to RM208.3m

May not add up due to rounding

Cash Flows & Total Borrowings

Consolidated Cash Flows					Sukuk Musharakah Medium Term Note (SMTN)	
RM million	1Q21	1Q20	YTDDec20	YTDDec19		
Operating Profit Before Working Capital Changes	354	300	1,228	1,166	Tenure	<ul style="list-style-type: none"> 20 year Sukuk Musharakah Medium Term Note program obtained on 20 April 2011 Valid unless it has been redeemed, cancelled or repurchased by WMSB
Cash Generated From Operations	343	357	1,282	1,221	Nominal Value	RM2,000 million available for issuance
Net Cash Generated From Operating Activities	277	297	1,025	960	Drawdown	<ul style="list-style-type: none"> 03 May 2011 of RM450 million 01 April 2013 of RM250 million 23 Oct 2013 of RM200 million 03 April 2014 of RM250 million 07 August 2017 of RM200 million 13 December 2017 of RM150 million
Net Cash Used In Investing Activities	-118	-72	-356	-64	Total RM1,500m	
Net Cash Used In Financing Activities	-295	-240	-587	-645	Utilisation of Proceeds	<ul style="list-style-type: none"> Refinance previous SUKUK programme Capital expenditure & assets acquisition Working capital
Net Change In Cash & Cash Equivalents	-137	-15	82	250	Repayment Schedule	<ul style="list-style-type: none"> RM450 mln - 6 tranches, 2021-2026 RM250 mln - 4 tranches, 2025-2028 RM200 mln - 5 tranches, 2024-2028 RM250 mln - 4 tranches, 2021-2024 <small>repaid RM50m</small> RM200 mln - 2 tranches, 2019-2020 <small>repaid RM200m</small> RM150 mln - 3 tranches, 2021-2027
Cash & Cash Equivalents As At Starting Period	739	657	657	407		
Cash & Cash Equivalents As At End Of Period	603	642	739	657		

May not add up due to rounding

- **Capex** of RM123m in 1Q21 mainly for new RTG cranes, Quay Cranes, construction of the new liquid bulk jetty LBT5 and also deposit on the acquisition of Boustead Cruise Centre
- **Cash** deposits of RM643m as at Mar21, of which RM40m are pledged deposits
- **Sukuk borrowings** of **RM1,250m** after RM50m repayment in Mar21. Remaining 2 repayments of RM50m each in 2021. Changed rating agency to **RAM** in Apr21, the agency assigned AAA rating to WMSB
- Net and gross **debt-to-equity ratios** were 0.22x and 0.44x respectively as at Mar21

Westports Expansion

Expansion check-list

- Approval-in-Principle
- Purchase of PKNS land
- 8 detailed studies
- Finalised port layout design
- S&P to acquire Marina Land*
- Initial and detailed EIA reports
- Concession terms with PKA
- EIA approval on detailed study
- UKAS
- Ministry of Transport
- Government of Malaysia

S&P conditions precedent*

- WHB shareholders approval
- No objection from EPU
- **Land conversion** on land use
- **Concession agreement**

Added facilities before 2025

- CT9 CY Zone Z increased total ground slots by 9% to 51,123, reefer plugs +20% to 3,532
- Ordered 21 RTG cranes for CY
- 2 replacement QCs by 1Q22
- Evaluating new QCs and RTG cranes for 2023

Expansion project tender

- Opened tender for preliminary screening of contractors for the construction, dredging and also reclamation of CT10 to CT13



Throughput Volume

- **1Q21** Transshipment growth resumed as yard utilization eased from congestion levels in the latter part of 4Q20. While gateway volume growth of +3% was mainly contributed by export laden and import laden
- Asia-America and Asia-Australia growth with consumption and hygienic needs. No changes for intra-Asia

Container & Conventional Throughput

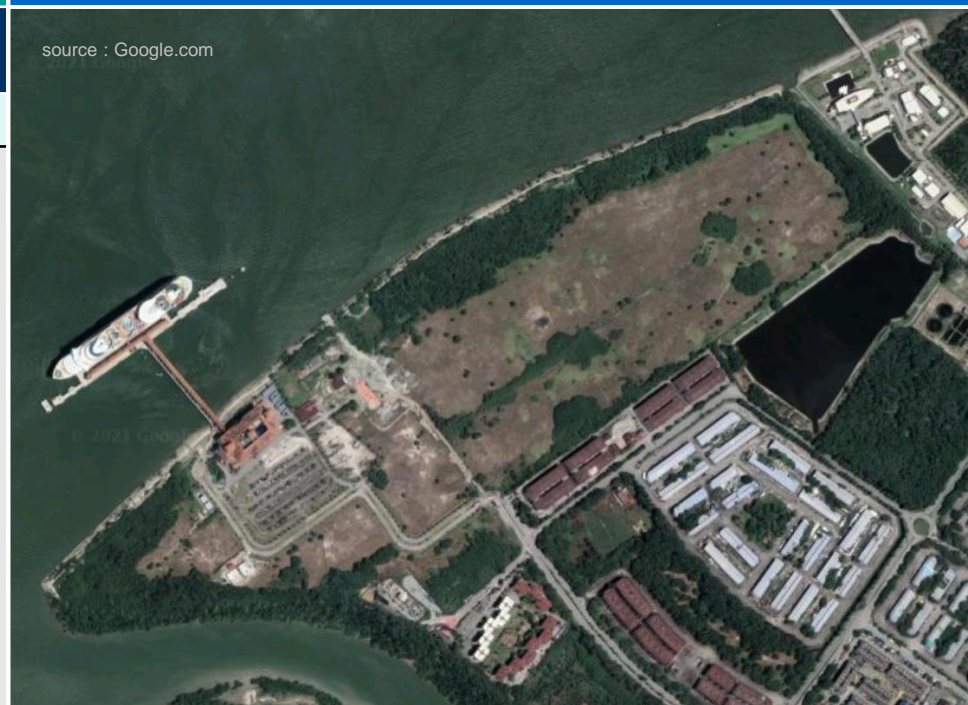
Container m TEU	1Q21	1Q20	% YoY	% Split	4Q20	% QoQ	YTDDec20	YTDDec19	% YoY	% Split
Transshipment	1.69	1.58	7%	63.5%	1.80	-6%	6.75	7.23	-7%	64.3%
Gateway	0.97	0.94	3%	36.5%	0.97	0%	3.75	3.63	3%	35.7%
Total^	2.66	2.52	5%	100%	2.77	-4%	10.50	10.86	-3%	100%
Intra-Asia	1.61	1.61	0%	60.7%	1.66	-3%	6.43	6.89	-7%	61.2%
Asia-Europe	0.43	0.40	7%	16.2%	0.49	-11%	1.78	1.82	-2%	17.0%
Asia-Australasia	0.26	0.21	29%	10.0%	0.25	6%	0.92	0.89	4%	8.8%
Asia-America	0.19	0.14	32%	7.0%	0.22	-14%	0.70	0.58	21%	6.7%
Asia-Africa	0.09	0.11	-16%	3.6%	0.11	-10%	0.42	0.46	-9%	4.0%
Others	0.07	0.04	51%	2.5%	0.06	19%	0.24	0.22	11%	2.3%
Total^	2.66	2.52	5%	100%	2.77	-4%	10.50	10.86	-3%	100%
Conventional m MT	3.03	2.75	10%	-	3.19	-5%	10.87	9.87	10%	-

Dividend Distribution Track Record

	Dividend Per Share (RM)	Financial Year	Ex-Date	Payment Date
2nd Interim Div	6.47 sen	2H 2020	18 Feb 2021	01 Mar 2021
1st Interim Div	5.05 sen	1H 2020	11 Aug 2020	21 Aug 2020
2nd Interim Div	6.26 sen	2H 2019	20 Feb 2020	03 Mar 2020
1st Interim Div	6.74 sen	1H 2019	14 Aug 2019	23 Aug 2019
2nd Interim Div	6.33 sen	2H 2018	18 Feb 2019	01 Mar 2019
1st Interim Div	5.40 sen	1H 2018	07 Aug 2018	20 Aug 2018
2nd Interim Div	7.95 sen	2H 2017	21 Feb 2018	06 Mar 2018
1st Interim Div	6.372 sen	1H 2017	01 Aug 2017	15 Aug 2017
2nd Interim Div	6.70 sen	2H 2016	22 Feb 2017	08 Mar 2017
1st Interim Div	7.30 sen	1H 2016	09 Aug 2016	23 Aug 2016
Total Dividend	11.10 sen	FY 2015		
Total Dividend	11.25 sen	FY 2014		
Total Dividend	^5.22 sen	FY 2013	^October 2013 IPO. Only one payment	

Outlook 2021

source : Google.com



Exploring potential logistics or complementary business activities for Boustead Cruise Centre

- Reinstating **dividend payout ratio of 75%** for FY2021 after the temporary reduction to 60% for FY2020
- Evaluating proposals and timing for equity-Sukuk **fund raising** to finance the expansion of CT10 to CT13

- Pandemic induced economic headwinds and repercussions from recent Suez Canal incident could influence **container volume**, expected to expand organically at a single-digit rate of increase
- Ongoing discussion with Government for the **new concession**
- New liquid bulk jetty **LBT5** to commence operations by mid-2021. Container vessels to berth at repaired wharf 22-23 by 3Q21
- Exploring business activities for **Boustead Cruise Centre**

Thank You

Westports Holdings Berhad
<http://www.westportsholdings.com/>

2020 Annual Report
https://www.westportsholdings.com/wp-content/uploads/files/WESTPORTS_ANNUAL_REPORT_2020.pdf

2020 Sustainability Report
https://www.westportsholdings.com/wp-content/uploads/files/WestportsHldgs_SustainabilityReport_2020.pdf

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