



Westports Holdings Berhad

1st Quarter 2022 Financial Report
26th April 2022



- **1Q22** Container revenue +5% despite throughput -10% mainly due to higher VAS and incremental increase in revenue per TEU. Conventional revenue increased with higher break-project cargo and RORO units – the latter helped by Sales Tax Exemption
- Marine revenue reflected lesser container ship calls. Higher rental with new tenants at the new Westports Logistics Centre

Segmental Revenue (RM million)

Revenue RM million	1Q22	1Q21	% YoY	% Split	4Q21	% QoQ	YTDDec21	YTDDec20	% YoY	% Split
Container	452	432	5%	87.5%	434	4%	1,735	1,605	8%	87.7%
Conventional	36	35	2%	6.9%	35	2%	134	116	15%	6.8%
Marine	17	17	-4%	3.2%	15	9%	65	76	-13%	3.3%
Rental	12	12	4%	2.4%	10	23%	43	39	10%	2.2%
Op. Revenue[^]	516	496	4%	100%	494	5%	1,978	1,836	8%	100%
Construction	0	12	nm	-	10	nm	44	139	-68%	-
Total Revenue[^]	516	508	2%	-	504	2%	2,022	1,975	2%	-

- **1Q22** Fuel cost up with higher MOPS price despite lower fuel consumption. Higher electricity cost due to ICPT and reefer containers
- Manpower cost reflected revised minimum wage of RM1,500 from Jan22, annual increments and higher headcount. The depreciation charges increased with capitalisation of 21 RTG cranes, back-of-terminal Container Yard CT8 and a new jetty at LBT5 for LPG volume

Cost Of Sales Breakdown (RM million)

Cost RM million	1Q22	1Q21	% YoY	% Split	4Q21	% QoQ	YTDDec21	YTDDec20	% YoY	% Split
Manpower	67	64	5%	33.3%	60	13%	251	238	5%	33.6%
Depreciation	50	49	3%	24.8%	51	-1%	197	191	4%	26.4%
Fuel	40	26	52%	19.5%	34	15%	119	79	51%	15.9%
M&R	19	19	0%	9.4%	19	-2%	78	73	7%	10.4%
Electricity	12	10	17%	5.9%	11	9%	45	45	-1%	6.0%
Others	14	14	3%	7.1%	16	-12%	58	49	18%	7.7%
Op. Cost[^]	203	182	11%	100%	192	6%	747	674	11%	100%
Construction	0	12	nm	-	10	nm	44	138	-68%	-
Total Cost[^]	203	194	4%	-	201	1%	791	812	-3%	-

Overall Results & Profitability Margins

	1Q22	1Q21	%Chg	4Q21	% QoQ	YTDDec21	YTDDec20	%Chg	On 1Q21 Performance
Container m TEUs	2.39	2.66	-10%	2.47	-3%	10.40	10.50	-1%	Gateway +0%. Transshipment -16%. Yard congestion eased, productivity improved QoQ. Liquid bulk decline offset all break bulk volume growth from coils and project cargo
Conventional m MT	2.66	3.03	-12%	2.94	-10%	11.26	10.87	4%	
Op. Revenue	516	496	4%	494	5%	1,978	1,836	8%	VAS revenue up with container storage. But storage revenue eased QoQ. Revenue per TEU +16%. Fuel cost up due to MOPS. Electricity up with ICPT charges and more reefer units. Manpower cost has minimum wage revised from Jan22, annual increments and op. headcount +3%
Op. Cost Of Sales	-203	-182	11%	-192	6%	-747	-674	11%	
Gross Profit	314	314	0%	303	4%	1,231	1,163	6%	1Q21 has non-recurrent insurance recovery of RM20.0m for QC51 and QC52 incident, only 5% recovery is outstanding now. Up Administrative Expenses, more client engagement related and travelling activities after lockdown. Uptick at Other Expenses with higher IT outsourcing cost
EBITDA	329	354	-7%	347	-5%	1,360	1,191	14%	
EBITDA %	63.7%	71.4%		70.3%		68.8%	64.9%		
Results From Op. Act.	264	288	-9%	281	-6%	1,102	930	18%	
Profit Before Tax	249	274	-9%	265	-6%	1,040	865	20%	Finance Income is lower with lesser cash balance after record semi-annual dividend payment in Feb22 and Sukuk repayment of RM125m. Less Finance Cost after repayment. Sukuk outstanding now RM1,025m. Results of JV is cruise terminal, uses Equity Method Accounting
PBT %	48.2%	55.2%		53.7%		52.6%	47.1%		
Tax	-97	-65	48%	-42	129%	-231	-211	10%	
Tax %	-39.0%	-23.9%		-15.9%		-22.3%	-24.3%		
Profit After Tax[^]	152	208	-27%	223	-32%	808	654	23%	Higher chargeable income with the one-year Prosperity Tax

May not add up due to rounding

Consolidated Cash Flows					Sukuk Musharakah Medium Term Note (SMTN)	
RM million	1Q22	1Q21	YTDDec21	YTDDec20		
Operating Profit Before Working Capital Changes	331	354	1,365	1,228	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	396	343	1,366	1,282	Nominal Value	RM2,000 million available for issuance
Net Cash Generated From Operating Activities	341	277	1,101	1,025	Drawdown Total RM1,500m	<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	-64	-118	-471	-356	Utilisation of Proceeds	<ul style="list-style-type: none"> Refinance previous SUKUK programme Capital expenditure & assets acquisition Working capital
Net Cash Used In Financing Activities	-465	-295	-753	-587	Repayment Schedule	<ul style="list-style-type: none"> RM450 mln - 6 tranches, 2021-2026 repaid RM100m RM250 mln - 4 tranches, 2025-2028 RM200 mln - 5 tranches, 2024-2028 RM250 mln - 4 tranches, 2021-2024 repaid RM125m RM200 mln - 2 tranches, 2019-2020 repaid RM200m RM150 mln - 3 tranches, 2021-2027 repaid RM50m
Net Change In Cash & Cash Equivalents	-188	-137	-124	82		
Cash & Cash Equivalents As At Starting Period	615	739	739	657		
Cash & Cash Equivalents As At End Of Period	427	603	615	739		

May not add up due to rounding

- RM67m **capex** in 1Q22 mainly for the new 18 units of RTG cranes
- Total **cash** deposits of RM468m as at Mar22, of which RM41m are pledged deposits

- Sukuk borrowings** of **RM1,025m** after RM125m repayment in 1Q22
- RAM** reaffirmed WMSB's AAA rating in its annual review
- Net and gross **debt-to-equity ratios** of 0.19x and 0.35x respectively as at Mar22

Expansion check-list

- Approval-in-Principle
- Purchase of PKNS land
- 8 detailed technical 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
- Approved land conversion for the 'Land Below The Sea' to industrial use, paid conversion premium
- UKAS
- Ministry of Transport
- Government of Malaysia

S&P conditions precedent®

- WHB shareholders approval
- No objection from EPU
- Approved land conversion for 'Marina Land' to industrial use. Paid the conversion premium

Concession agreement

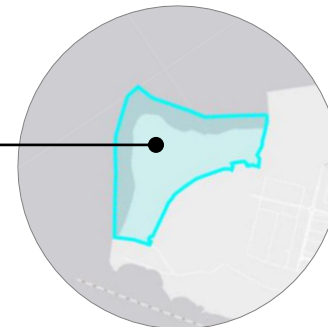
New facilities and equipment

- +12% ground slots to 52,455 and +58% reefer plugs at 4,132
- Fleet of 67 QCs now. Getting 3 new QCs in 3Q22, another 3 in 1Q23 to replace some old QCs
- Received the additional 9 RTG cranes, total 218 RTG cranes now



Land Below
The Sea
Already Acquired
'Land Below The Sea'
154.2 Hectares / 381 Acres

Proposed Acquisition
Marina Land
Proposed Acquisition
'Marina Land'
146.4 Hectares / 362 Acres



Throughput Volume

- **1Q22** experienced a relatively larger rate of decline due to 1Q21 being the strongest quarter in 2021, pervasive ongoing supply chain challenges with closures of some ports in the Far East, and service changes as container liners work around various disruption issues
- At Conventional, break bulk's higher quantity of coils and project cargo was negated by decline at liquid bulk-bunker segment

Container & Conventional Throughput

Container m TEU	1Q22	1Q21	% YoY	% Split	4Q21	% QoQ	YTDDec21	YTDDec20	% YoY	% Split
Transshipment	1.42	1.69	-16%	59.5%	1.57	-9%	6.75	6.75	0%	64.9%
Gateway	0.97	0.97	0%	40.5%	0.89	8%	3.65	3.75	-3%	35.1%
Total^	2.39	2.66	-10%	100%	2.47	-3%	10.40	10.50	-1%	100%
Intra-Asia	1.54	1.63	-5%	64.4%	1.52	1%	6.25	6.46	-3%	60.1%
Asia-Europe	0.36	0.44	-17%	15.3%	0.38	-4%	1.68	1.80	-6%	16.2%
Asia-Australasia	0.24	0.27	-9%	10.2%	0.26	-5%	1.07	0.93	15%	10.3%
Asia-America	0.16	0.19	-17%	6.6%	0.20	-20%	0.82	0.71	16%	7.9%
Asia-Africa	0.03	0.10	-65%	1.4%	0.08	-57%	0.36	0.42	-15%	3.4%
Others	0.05	0.04	23%	2.2%	0.03	60%	0.22	0.19	18%	2.1%
Total^	2.39	2.66	-10%	100%	2.47	-3%	10.40	10.50	-1%	100%
Conventional m MT	2.66	3.03	-12%	-	2.94	-10%	11.26	10.87	4%	-

Dividend Distribution Track Record

	Dividend Per Share (RM)	Financial Year	Ex-Date	Payment Date
2nd Interim Div	9.28 sen	2H 2021	15 Feb 2022	24 Feb 2022
1st Interim Div	8.50 sen	1H 2021	17 Aug 2021	26 Aug 2021
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
Total Dividend	14.00 sen	FY 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 2022



First Very Large Gas Carrier (VLGC) to berth at newly completed Liquid Bulk Terminal 5 (LBT5)

■ Dividend payout ratio of 75%

- Reinstated payout ratio of 75% in 2021 after temporary 1-year reduction to 60% in 2020 due to Covid-precautionary measure
- Record dividend payout of RM606m in 2021
- The timing for equity-Sukuk **fund raising** to finance Westports container terminal expansion would depend on the concession agreement

- Conflict in Europe, Covid-19's effects on the Asian largest economy, higher inflationary pressures and pervasive supply chain challenges are risk factors to further recovery. We are projecting possibly near-identical **container throughput** for 2022
- Ongoing detailed discussions with authorities on the **new concession**
- Formulating strategic business plan for **Port Klang Cruise Terminal**
- A commitment towards the aspiration and target to achieve **net-zero carbon emissions by 2050**

Thank You

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

Annual Report 2021
https://www.westportsholdings.com/wp-content/uploads/files/Westports_Hldgs_Bhd_Annual_Report_2021.pdf

Sustainability Report 2021
<https://www.westportsholdings.com/wp-content/uploads/files/WestportsHldgsSustainabilityReport2021.pdf>

Westports Climate Change Assessment Report by DHI Water & Environment (M) Sdn Bhd
<https://www.westportsholdings.com/wp-content/uploads/files/WestportsClimateChgAssessmentRep2022.pdf>

Carbon Stock And Sequestration Valuation Of Flora In Westports by FRIM Incorporated Sdn Bhd
<https://www.westportsholdings.com/wp-content/uploads/files/WestportsCarbonStockSequestrationV2022.pdf>

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