



Westports Holdings Berhad

3rd Quarter 2021 Financial Report
29th October 2021



Revenue

- **3Q21** Op revenue 0% compared with 3Q20's high-base. Container revenue 0% despite throughput of -10% mainly due to higher VAS. Conventional revenue increased during 3Q21 with higher break bulk volume
- **YTD Sep21** Marine revenue reflects lesser calls but higher average container moves per ship

Segmental Revenue (RM million)

Revenue RM million	3Q21	3Q20	% YoY	% Split	2Q21	% QoQ	YTD Sep21	YTD Sep20	% YoY	% Split
Container	441	441	0%	88.5%	429	3%	1,302	1,193	9%	87.7%
Conventional	32	30	6%	6.4%	32	-1%	99	83	20%	6.7%
Marine	15	20	-22%	3.1%	17	-9%	50	58	-14%	3.4%
Rental	10	10	6%	2.0%	11	-10%	33	29	14%	2.2%
Op. Revenue[^]	498	501	0%	100%	490	2%	1,484	1,363	9%	100%
Construction	7	28	-76%	-	15	-57%	34	71	-51%	-
Total Revenue[^]	505	528	-4%	-	505	0%	1,518	1,433	6%	-

- **3Q21** Fuel cost up mainly due to higher MOPS price as fuel consumption +1% only. Manpower cost reflected higher headcount +15%
- **YTD Sep21** M&R cost with maintenance for RTG cranes and replacement tyres for trucks. Depreciation charges with capitalisation of 12 RTG Cranes and Container Yard at CT9. Other cost increased, mainly due to conventional cost and the hiring of tug boat

Cost Of Sales Breakdown (RM million)

Cost RM million	3Q21	3Q20	% YoY	% Split	2Q21	% QoQ	YTD Sep21	YTD Sep20	% YoY	% Split
Manpower	63	57	10%	33.6%	64	-1%	192	175	9%	34.5%
Depreciation	50	48	3%	26.4%	48	3%	147	142	3%	26.4%
Fuel	31	21	44%	16.4%	28	11%	85	58	47%	15.2%
M&R	19	19	4%	10.3%	20	-3%	58	53	11%	10.5%
Electricity	11	10	19%	6.1%	12	-5%	34	33	1%	6.1%
Others	14	13	7%	7.2%	14	-2%	41	35	18%	7.4%
Op. Cost[^]	188	167	12%	100%	186	1%	556	496	12%	100%
Construction	7	27	-76%	-	15	-57%	34	70	-51%	-
Total Cost[^]	194	195	0%	-	201	-3%	590	566	4%	-

Overall Results & Profitability Margins

		3Q21	3Q20	%Chg	2Q21	% QoQ	YTDSep21	YTDSep20	%Chg	On YTD Performance
Container	m TEUs	2.63	2.93	-10%	2.65	0%	7.93	7.73	3%	Gateway eased to -1% with local mid-year lockdown. Transshipment growth partly affected by the high yard utilisation. Strong break bulk growth with higher ingot prices
Conventional	m MT	2.58	2.78	-7%	2.71	-5%	8.32	7.67	8%	
Op. Revenue		498	501	0%	490	2%	1,484	1,363	9%	Container revenue up mainly due to VAS. Manpower cost up with more headcount of +14%. Fuel cost mainly with higher MOPS price. Depreciation reflected new RTG cranes, Yard Zone Y and Z. Others cost up with Conventional direct cost and tug boat hiring
Op. Cost Of Sales		-188	-167	12%	-186	1%	-556	-496	12%	
Gross Profit		310	333	-7%	304	2%	928	868	7%	YTDSep21 Other income has RM41m insurance recovery for QC51-52. Administrative Expenses, there are no general provision. Adjusting for these one-off items* for YTDSep21, EBITDA would be RM960.9m, while the EBITDA ratio would work out to be at 64.8%
EBITDA		346	354	-2%	314	10%	1,013	892	14%	
EBITDA %		69.4%	70.7%		64.0%		68.3%	65.5%		
Results From Op. Act.		281	288	-2%	251	12%	821	696	18%	
Profit Before Tax		265	270	-2%	236	13%	774	647	20%	PBT adjusted for one-off items* divide by operational revenue at the denominator (exclude construction revenue) still improved to 48.7%. Finance Cost eased with RM100m Sukuk repayment in 2020 and also another RM100m thus far. The total outstanding Sukuk now RM1,200m
PBT %		53.2%	54.0%		48.1%		52.2%	47.5%		
Tax		-66	-66	0%	-58	15%	-189	-156	21%	
Tax %		-24.9%	-24.6%		-24.5%		-24.4%	-24.1%		
Profit After Tax[^]		199	204	-2%	178	12%	585	491	19%	After tax rate of 24.4%, reported PAT +19% to RM585.3m

May not add up due to rounding

Cash Flows & Total Borrowings

Consolidated Cash Flows					Sukuk Musharakah Medium Term Note (SMTN)	
RM million	3Q21	3Q20	YTD Sep21	YTD Sep20		
Operating Profit Before Working Capital Changes	346	355	1,014	918	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	359	328	967	896	Nominal Value	RM2,000 million available for issuance
Net Cash Generated From Operating Activities	299	280	771	726	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	-242	-74	-352	-200	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	-312	-347	-680	-612	Repayment Schedule	<ul style="list-style-type: none"> RM450 mln - 6 tranches, 2021-2026 <small>repaid RM50m</small> 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
Net Change In Cash & Cash Equivalents	-255	-141	-260	-86		
Cash & Cash Equivalents As At Starting Period	734	712	739	657		
Cash & Cash Equivalents As At End Of Period	479	571	479	571		

May not add up due to rounding

- RM248m **capex** during YTD Sep21 for new RTG cranes, Quay Cranes, construction of new liquid bulk jetty LBT5 and 19-acre container yard
- Cash** deposits of RM520m as at Sep21, of which RM40m are pledged deposits

- Sukuk borrowings** of **RM1,200m** after RM50m repayments each in Mar21 and May21. Next RM50m repayment in Dec21 for 2021
- RAM** is WMSB's current rating agency, assigned AAA rating
- Net and gross **debt-to-equity ratios** of 0.23x and 0.41x respectively as at Sep21

Expansion check-list

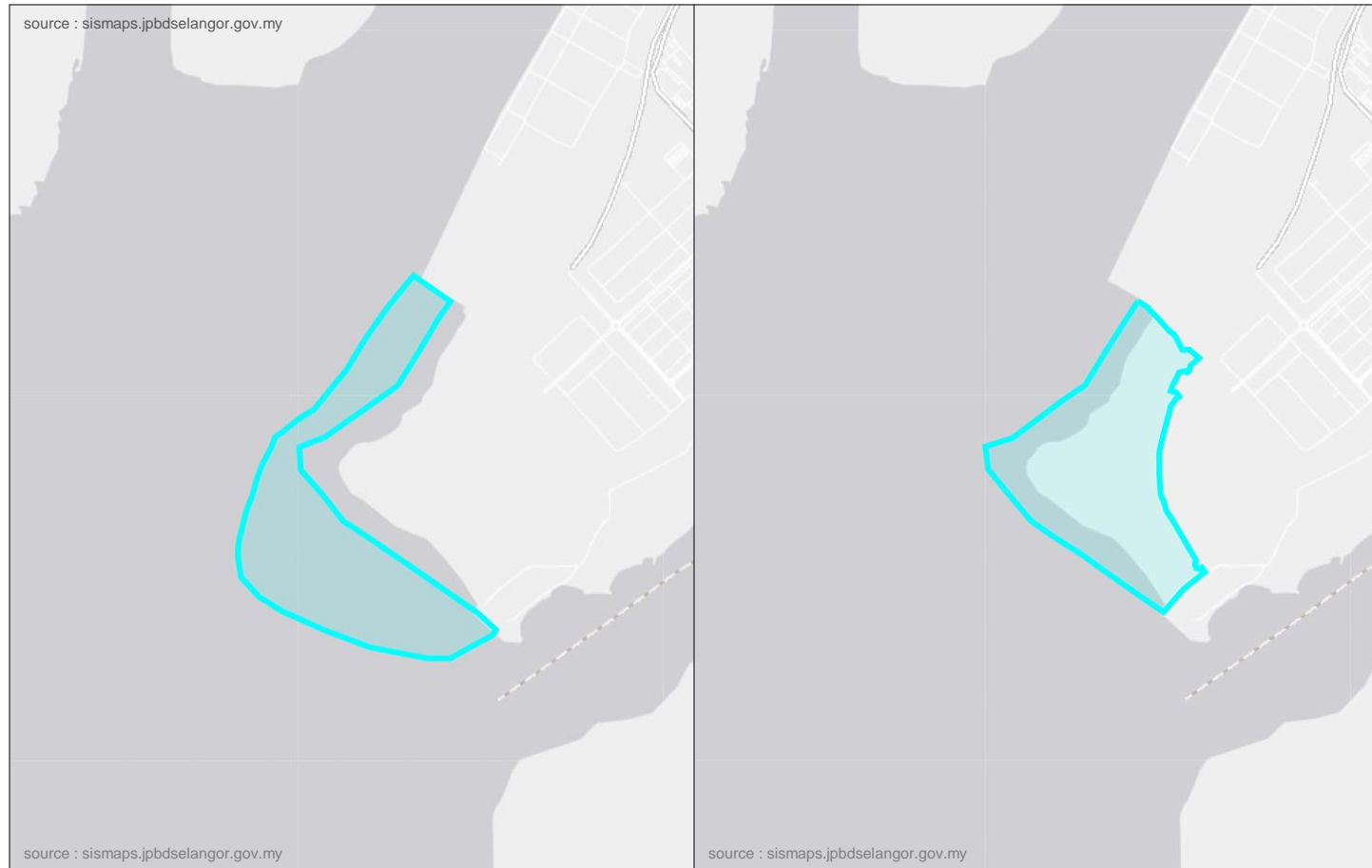
- Approval-in-Principle
- Purchase of PKNS land
- 8 detailed studies
- Finalised port layout design
- S&P to acquire Marina Land^
- Initial and detailed EIA reports
- Concession terms with PKA
- EIA approval on detailed study
- Approved land conversion for the **'Land Below The Sea'** to industrial use. Premium payable by Dec21
- 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.** Completed payment of the conversion premium
- **Concession agreement**

Additional facilities before 2025

- An additional 19-acre container yard at CT8 by 4Q21
- Ordered 21 RTG cranes for CY
- 2 replacement QCs by 1Q22 and ordered 6 new QCs by Dec2022



Acquired Lot No. 80379
'Land Below The Sea'
 154.2 Hectares / 381 Acres

Proposed Acquisition Lot No. 72778
'Marina Land'
 146.4 Hectares / 362 Acres

Throughput Volume

- **3Q21** Gateway reflected domestic lockdown. Transshipment eased with high container yard utilization and broader supply chain issues
- **YTD Sep21** Asia-America consumption-led growth continued while Intra-Asia volume reflected some of the ongoing regional supply chain disruptions and port congestions. Break bulk and RORO contributed to the overall improvement in Conventional throughput

Container & Conventional Throughput

Container m TEU	3Q21	3Q20	% YoY	% Split	2Q21	% QoQ	YTD Sep21	YTD Sep20	% YoY	% Split
Transshipment	1.79	1.91	-6%	68.1%	1.70	6%	5.18	4.95	5%	65.3%
Gateway	0.84	1.03	-18%	31.9%	0.95	-11%	2.76	2.78	-1%	34.7%
Total^	2.63	2.93	-10%	100%	2.65	0%	7.93	7.73	3%	100%
Intra-Asia	1.51	1.80	-16%	57.5%	1.59	-5%	4.73	4.81	-2%	59.5%
Asia-Europe	0.42	0.51	-18%	16.0%	0.44	-4%	1.30	1.31	-1%	16.3%
Asia-Australasia	0.26	0.26	-1%	10.0%	0.28	-5%	0.81	0.68	19%	10.2%
Asia-America	0.24	0.20	19%	9.0%	0.19	22%	0.62	0.49	28%	7.8%
Asia-Africa	0.09	0.11	-19%	3.2%	0.10	-13%	0.28	0.32	-12%	3.5%
Others	0.11	0.05	122%	4.3%	0.05	119%	0.21	0.13	57%	2.6%
Total^	2.63	2.93	-10%	100%	2.65	0%	7.93	7.73	3%	100%
Conventional m MT	2.58	2.78	-7%	-	2.71	-5%	8.32	7.67	8%	-

Dividend Distribution Track Record

	Dividend Per Share (RM)	Financial Year	Ex-Date	Payment Date
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
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



At 265-metre length overall (LOA), berthing of the world's largest roll-on/roll-off ("RORO") vessel

- Reinstated **dividend payout ratio of 75%** for FY2021 after the temporary 1-year reduction to 60% for FY2020
 - 1st interim dividend for FY2021 amounting to RM289.9m
- The timing for equity-Sukuk **fund raising** to finance expansion of CT10 to CT13 would depend on the concession agreement

- Lockdowns, port congestions and supply chain disruptions across the globe adversely affect **container throughput**. Expecting single-digit rate of growth for FY2021
- Ongoing detailed discussions with authorities on the **new concession**
- New liquid bulk jetty **LBT5** is completed, to be operational 1Q22. Container vessels to berth at repaired **wharf 22-23** by end-4Q21
- The acquisition of **Boustead Cruise Centre** is completed

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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