

MEDIA RELEASE

26 April 2022

FINANCIAL RESULTS ANNOUNCEMENT

WESTPORTS HANDLED A CONTAINER VOLUME OF 2.39 MILLION TWENTY-FOOT EQUIVALENT UNITS (“TEUS”) IN 1Q 2022

Key Highlights:

- Westports handled a container throughput of 2.39 million TEUs in the 1st Quarter of 2022. The quarter was characterised by disturbances in the European supply chain, economic sanctions and closures of some ports at various points in time in the Far East.
- The Company handled transshipment and gateway container throughput of 1.42 million and 0.97 million TEUs in the first quarter. Westports handled bulk cargoes in the conventional segment amounting to 2.66 million metric tonnes.
- The container terminal’s yard congestion eased completely while productivity improved in the absence of local lockdown. The total ground slots at the container yard also increased by 12% to 52,455 and reefer sockets by 58% to 4,132 between 2020 and 2021.
- The recently completed new jetty, Liquid Bulk Terminal 5 (“LBT5”), accommodated its first Very Large Gas Carriers (“VLGC”). The vessel discharged 8,500 metric tons of Liquefied Petroleum Gas (“LPG”) cargo to cool down and commence commissioning of the storage facilities.
- The Company reported a Profit Before Tax of RM249 million for the 1st Quarter of 2022. The lower Profit Before Tax was mainly attributable to the absence of non-recurrent insurance recoveries in the current quarter and also the surge in fuel cost by 52%. At the bottom line, Westports reported a Profit After Tax of RM152 million, which was lower by 27%. The reduction in profitability at this level was mainly due to the one-off prosperity tax in 2022. Hence, the Company’s effective tax rate is 39% for the quarter.
- RAM Rating Services Berhad (“RAM”) has reaffirmed the long-term AAA/stable rating to Westports Malaysia Sdn Bhd’s (“WMSB”) RM2.0 billion Sukuk Musharakah Programme 2011/2031 in its recent annual review.
- Westports is committing to achieve net-zero carbon emissions by 2050. We will focus and rely primarily on emissions intensity reduction and decarbonisation.
- Westports has also raised the minimum wage for its staff to RM1,500 with effect from the 1st January 2022 to mitigate the expected higher cost of living.



Kuala Lumpur, 26 April 2022

Westports Holdings Berhad (“Westports” or the “Company”) has announced its financial results for the 1st Quarter of 2022. At the top line, the Company reported total revenue of RM516 million. The container segment contributed 88% to the revenue by handling a throughput volume of 2.39 million TEUs. Westports’ results incorporated its share of losses with the 50% investment in Port Klang Cruise Terminal Sdn Bhd, formerly known as Boustead Cruise Centre Sdn Bhd. At the bottom line, after making a tax provision of RM97 million or an effective tax rate of 39% due to the Prosperity Tax, the Company reported a lower Profit After Tax by 27% at RM152 million.

Datuk Ruben Emir Gnanalingam bin Abdullah (“Datuk Ruben”), the Group Managing Director of Westports, highlighted that “Without local lockdown and the marginally lower volume in the 1st Quarter of 2022, together with full access to the 52,455 container yard ground slots and 4,132 reefer sockets, the Company has resolved all its prior-year container yard congestion issues”.

Datuk Ruben evaluated, “External developments became more challenging as the quarter progressed. Military incursion, sanctions, inflationary pressures, and selected ports closure at various times in the Far East have collectively added to the ongoing supply chain challenges. The Company experienced a 52% increase in fuel cost as our terminal operating equipment uses fuel input which is priced commercially and is not subsidised. Nevertheless, under the far-sighted leadership of the Executive Chairman Tan Sri Datuk Gnanalingam, the Company has already raised the minimum wage for its staff to RM1,500 with effect from the 1st January 2022 to mitigate the expected higher cost of living”.

Datuk Ruben concluded, “Westports recognised the significance and immediate response required by climate change. The Board Sustainability Committee (“BSC”) was formed and had its inaugural meeting in January 2022. The BSC will now oversee policies and practices relating to Environmental, Social and Governance (ESG) and sustainability matters. In its second meeting in April 2022, the BSC recommended and the Company will now commit to a sustainability aspiration and target to achieve net-zero carbon emissions by 2050. We will primarily focus and rely on emissions intensity reduction and decarbonisation to achieve the target by 2050”.

About Westports Holdings Berhad

Westports Holdings Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad on 18th October 2013 and is the largest listed port operator in Malaysia.

Westports is strategically located in Port Klang along the Straits of Malacca. The Company is involved in container and conventional cargo handling as well as providing a wide range of port services, including marine, rental and other ancillary services.



Important notice

Kindly read this media release alongside with the announcement released to Bursa Malaysia dated 26 April 2022 for a comprehensive understanding of Westports' financial results.

This document contains certain forward-looking statements with respect to Westports' financial condition, results of operations and business, and management's strategy, plans and objectives of Westports. These statements include without limitation, those that express forecasts, expectations and projections such as forecasts, expectations and projections in relation to new products and services, revenue, profit, cash flow, operational metrics etc.

These statements (and all other forward-looking statements, contained in this document) are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Westports' control, are difficult to predict and could cause actual results to differ materially from those expressed or implied or forecast in the forward-looking statements.

All forward-looking statements in this document are based on information known to Westports on the date hereof. Westports undertakes no obligation publicly to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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