



**MEDIA RELEASE**

**27 July 2023**

## **FINANCIAL RESULTS ANNOUNCEMENT**

### **WESTPORTS HANDLED A CONTAINER VOLUME OF 2.70 MILLION TWENTY-FOOT EQUIVALENT UNITS (“TEUS”) IN 2Q 2023**

**Kuala Lumpur, 27 July 2023**

Westports Holdings Berhad (“Westports” or the “Company”) has announced its financial results for the 2<sup>nd</sup> Quarter of 2023, and the 6-month ended on 30 June 2023. At the top line, the Company reported a total revenue achievement of RM1.06 billion, and the container segment contributed 87% to total revenue by handling a throughput volume of 5.24 million TEUs. The post-Covid-19 resumption of economic activities in the Far East has contributed to the repositioning of container boxes while Intra-Asia trade remained favourable.

The normalisation of global supply chain efficiency levels also reduced the need for excessive container storage, contributing to a marginally lower operational revenue of RM1.02 billion. At operating cost, workforce cost is the most significant single component at 34%, and even without a higher headcount, the cost has increased due to higher salaries and allowances paid to the staff.

There was an increase in electricity cost as the national utility company implemented the current Imbalance Cost Pass-Through (ICPT), effective from 1 January 2023, which increased from 3.7 sen to 20.0 sen per kWh. Westports purchases diesel at an unsubsidised price, and the lower fuel cost nudged gross profit marginally higher to RM606 million for the 6-month ended on 30 June 2023. At the bottom line, Westports reported a higher Profit After Tax of RM378 million, and much of the increase came from the absence of the one-year prosperity tax in 2022.

Westports has practised a dividend payout ratio of 75% on its Profit After Tax since its public listing in 2013, and the Company has been redistributing all dividends it received. The only exception was in 2020, when the ratio was temporarily reduced to 60% due to prudent Covid-19 precautionary measures. Based on the period under review, Westports has announced its first interim ordinary dividend of 8.19 sen, which amounted to RM279 million. The Company is redistributing all the dividends it receives. The first interim dividend is to be paid on 22 August 2023.



Datuk Ruben Emir Gnanalingam bin Abdullah, the Executive Chairman cum Group Managing Director of Westports, contemplated, “We had the privilege and lifelong contribution from Tan Sri Datuk Gnanalingam for starting, building and establishing Westports from what was essentially an undeveloped island to ultimately one of the biggest and most competitive mega transshipment hub in South East Asia. We will endeavour to crystalise his vision further, even as the roadmap to expand our container terminals beyond the existing Container Terminal 9 is already in place. Close to Tan Sri’s heart is the well-being of the Pulau Indah community. Westports has created employment opportunities for the local residents and beyond. And approximately 41% of our employees are Pulau Indah residents. Expanding the container terminal would also create long-term better opportunities for Pulau Indah residents and beyond. Morningstar Sustainalytics, a leading independent Environmental, Social and Governance (ESG) and Corporate Governance research firm, has evaluated that the operations of Westports sustain more than 16,000 jobs and have a yearly Gross Domestic Product (GDP) impact of about RM1.6 billion. As we peer to the long-term future, the container terminal expansion is also Westports’ financial and strategic commitment toward maintaining Port Klang’s overall competitiveness and as the preeminent gateway port for Malaysia. Tan Sri has left an immense legacy for us. The fulfilment of his vision is also a fulfilment of one of the nation’s competitive edges – a mega transshipment hub and gateway port amid the busiest straits in the world, facilitating trade and economic development in surrounding nations with people aspiring for better lives for themselves and their countries. And he did all this whilst never forgetting his main goals in life which, included being a great husband to my mum, an amazing father to me, my brother and sister, a fantastic grandfather to his 7 grandkids and also a loyal friend and mentor to many others. I miss him dearly and hope to take on my new responsibilities in a way that would make him proud.”

### **About Westports Holdings Berhad**

Westports Holdings Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad on 18<sup>th</sup> October 2013 and is the largest listed port operator in Malaysia. 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. The Company is strategically located in Port Klang along the Straits of Malacca.

### **Important notice**

Kindly read this media release and the announcement released to Bursa Malaysia dated 27 July 2023 for a comprehensive understanding of Westports’ financial results.

This document may contain 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.

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