



**MEDIA RELEASE**

**4 November 2022**

## **FINANCIAL RESULTS ANNOUNCEMENT**

### **WESTPORTS HANDLED A CONTAINER VOLUME OF 7.47 MILLION TWENTY-FOOT EQUIVALENT UNITS (“TEUS”) IN THE 9-MONTH OF 2022**

**Kuala Lumpur, 4 November 2022**

Westports Holdings Berhad (“Westports” or the “Company”) has announced its financial results for the 3<sup>rd</sup> Quarter of 2022, and the 9-month ended on 30 September 2022. At the top line, the Company reported a total revenue achievement of RM1.55 billion. The container segment contributed 86% to total revenue by handling a throughput volume of 7.47 million TEUs.

The period under review witnessed multiple headwinds, some of which have shown signs of moderating intensity rates as global economies adjust to higher global energy prices, inflation, and interest rates but weaker non-Dollar currencies and economic momentum. Within the container shipping segment, spot freight rates adjusted downward rapidly to lower demand and supply chain constraints eased despite continuing lockdown in China due to the zero-covid policy.

The challenging external economic conditions and container shipping companies’ operational adjustments consequently contributed to a reduction in the transshipment containers handled to 4.52 million TEUs. The domestic economy demonstrated relatively better resilience, and export-oriented sectors benefited from increased competitiveness with a weaker local currency. The overall gateway volume increased by 7% to 2.95 million TEUs, with much growth during the 3<sup>rd</sup> Quarter of 2022. In the conventional segment, the Company moved 8.87 million metric tonnes of cargo, with a notable increase in the break bulk.

The recently completed Liquid Bulk Terminal 5 (“LBT5”) jetty has and can accommodate Very Large Gas Carriers (“VLGC”). LBT5 facilitated the discharge and flow of Liquefied Petroleum Gas (“LPG”) throughput into the recently built facilities, which would cater to regional customers’ requirements. To capture the future growth of non-bunker-fuel and liquid storage requirements, Westports will commence the construction of the Liquid Bulk Terminal 4A (“LBT 4A”) in the 4<sup>th</sup> Quarter of 2022; the newest jetty is to be completed by the end of 2023.



On the Company's profitability, Westports achieved a Profit Before Tax of RM693 million for the 9-month of 2022. The lower profit, despite higher operating revenue, reflected the absence of non-recurrent insurance recoveries and the surge in fuel cost by 81%; Westports purchases diesel at an unsubsidized price. At the bottom line, Westports reported a Profit After Tax of RM465 million, which was lower by 21% as the Company incorporated the one-year prosperity tax in 2022. Hence, the Company's effective tax rate is 33% for the 9-month of 2022.

Datuk Ruben Emir Gnanalingam bin Abdullah ("Datuk Ruben"), the Group Managing Director of Westports, shared that "Despite the current year's challenges, Westports is committed to achieving net-zero carbon emissions by 2050. The Company will focus and rely primarily on emissions intensity reduction and gradual decarbonization of its fleet of terminal operating equipment. Earlier this year, we took delivery of the country's first Kalmar Eco Reachstacker – the new equipment that started paving the way toward reducing our environmental intensity footprint. During the period under review, the Company has just taken the delivery of three new Super Post-Panamax Quay Cranes with a twin-lift capacity of 55 tons. Weighing 1,100 tons each, the new electric-powered cranes replaced the now-dismantled old cranes. They will undoubtedly increase our productivity and efficiency at the terminal, optimizing our ability to provide top-notch service to our customers".

Datuk Ruben assessed and shared his prognosis: "The disruption in the supply chain has eased. However, inflationary pressure, zero-Covid policy in the Far East, energy prices plus economic challenges in Europe and disrupted global wealth effects due to correcting markets are contributing to slower economic activities across many regions. The container throughput momentum in the current year could moderate downwards toward a marginal single-digit decline. However, the local economy is currently relatively less adversely affected. Therefore, Westports will continue to play our role as the leading gateway port for Malaysia and support her economic activities".

### **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 and along the Straits of Malacca.

### **Important notice**

Kindly read this media release and the announcement released to Bursa Malaysia dated 4 November 2022 for a comprehensive understanding of Westports' financial results.



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