

MEDIA RELEASE

2 February 2021

FINANCIAL RESULTS ANNOUNCEMENT

**WESTPORTS HANDLED CONTAINER VOLUME OF 10.5 MILLION
TWENTY-FOOT EQUIVALENT UNITS (“TEUS”) IN 2020**

Key Highlights:

- Westports handled a slightly lower container throughput of 10.5 million TEUs in 2020 as container volume and demand was affected by the various forms of lockdown across the world to control the transmission of the coronavirus disease (“COVID-19”).
- On a quarterly basis, container throughput was at 2.8 million TEUs in the Fourth Quarter of 2020. Many ports across the globe, including Westports, experienced above-average container yard utilisation and some yard congestion.
- Westports invested RM323 million in capital expenditure during the year, of which most were allocated to enhance its container and conventional operational capabilities. The newly completed container yard Zone Z at CT9, which cost RM81 million enjoyed immediate full utilisation upon completion. These investments will also support the long-term growth of the Company and also Port Klang.
- For the year 2020, after the tax provision of RM211 million, which is an effective tax rate of 24%, Westports reported a Profit After Tax of RM654 million.
- Westports has temporarily adopted a payout ratio of 60% in 2020 to conserve cash as the Company expects the land reclamation for the multi-billion Container Terminal expansion to commence in 2021. The Company paid its first interim ordinary dividend amounting to RM172.2 million in August 2020. The second interim ordinary dividend of 6.47 sen per share amounting to RM220.6 million is to be paid on 1 March 2021. The Company will revert to a dividend payout ratio of 75% for the financial year ending 31 December 2021.
- In the Fourth Quarter of 2020, Westports accommodated the maiden call of the world’s largest LNG-powered containership, CMA CGM Jacques Saadé, on her way to China. With her length overall (LOA) of 400 meters and a carrying capacity of 23,000 TEUs of containers, CMA CGM Jacques Saadé is also the container vessel with the highest nominal capacity that has ever called at Westports.
- In 2020, Westports contributed RM2.6 million for COVID-19 related assistance to hospitals and the surrounding community. For 2021, the Company will now be undertaking its contribution to the community through the Westports Foundation.

Kuala Lumpur, 2 February 2021

Westports Holdings Berhad (“Westports” or the “Company”) has announced its financial results for the Fourth Quarter of 2020 and the twelve-month ended on 31 December 2020. At the top-line, the Company’s total revenue improved to RM1.97 billion for the twelve-month period due to higher revenue from the container segment and also construction activities arising from development work on the new liquid bulk jetty and CT9’s new Container Yard Zone Z. At the bottom line, after the tax provision of RM211 million or an effective tax rate of 24%, Westports reported a Profit After Tax of RM654 million.

Datuk Ruben Emir Gnanalingam, Group Managing Director of Westports, commented that “Westports is thankful to our government agencies, including the Ministry of Health, Ministry of Transport and Port Klang Authority, for collaborating and guiding us through an unprecedented year. As an essential service to the nation, their input ensured uninterrupted operations of our port. In a year that witnessed businesses experiencing operational and financial challenges, Westports has worked with the authorities and our clients to offer reductions in certain fees and charges. The Company also implemented COVID-19 precautionary measures, and there has been a minimal number of cases that have affected the employees of Westports”.

Datuk Ruben indicated that “the above-average container yard utilisation and yard congestion in the Fourth Quarter of 2020 not only affected Westports but also many ports across the globe. The global supply chain is adjusting to a combination of factors, such as higher consumer demand for containerised goods in Western economies, lockdowns in various parts of the world at different points in time and a global supply chain partly manned by people implementing COVID-19 precautionary measures. The direct and secondary long-tail effects of COVID-19 will continue to be felt in 2021 despite the gradual ramp-up in vaccinations. This will have a redistributive effect on society. The pandemic is a reminder of the importance of social contribution to the community. Westports will be channelling greater engagement with the community through Westports Foundation in 2021”.

The Group Managing Director concluded that “the surge in container throughput in the Second Quarter and strong demand for container yard space in the Fourth Quarter of 2020 reinforced the need for Westports to undertake the planned mega Container Terminal expansion from CT10 to CT17, upon reaching a new concession agreement with the Government. In 2020, Westports invested and completed container yard Zone Z at CT9 at the cost of RM81 million. We have also converted a common yard area to become a container yard. Westports worked successfully towards managing the recent container yard congestion issue, which is a reflection of our ongoing commitment in reinforcing Port Klang as one of the main transshipment hubs in South East Asia for international container shipping alliances”.



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 a 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 2nd February 2021 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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