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**Westports Holdings Berhad**

(Company No. 262761-A)

(Incorporated in Malaysia)

**Quarterly Financial Report for the  
First Quarter Ended 31 March 2019**

**Westports Holdings Berhad (262761-A)**  
(Incorporated in Malaysia)

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**Westports Holdings Berhad (262761-A)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Profit or Loss and  
Other Comprehensive Income**

For The Period Ended 31 March 2019

*These figures have not been audited*

	3 months ended			3 months ended		
	31.03.2019	31.03.2018	Changes	31.03.2019	31.03.2018	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	415,187	385,092	8%	415,187	385,092	8%
Cost of sales	<u>(159,187)</u>	<u>(159,397)</u>	0%	<u>(159,187)</u>	<u>(159,397)</u>	0%
<b>Gross profit</b>	256,000	225,695	13%	256,000	225,695	13%
Other income	2,633	2,267	16%	2,633	2,267	16%
Administrative expenses	(6,217)	(5,309)	17%	(6,217)	(5,309)	17%
Other expenses	<u>(46,864)</u>	<u>(39,890)</u>	17%	<u>(46,864)</u>	<u>(39,890)</u>	17%
<b>Results from operating activities</b>	205,552	182,763	12%	205,552	182,763	12%
Finance income	2,874	3,559	-19%	2,874	3,559	-19%
Finance costs	<u>(22,750)</u>	<u>(22,718)</u>	0%	<u>(22,750)</u>	<u>(22,718)</u>	0%
<b>Profit before tax</b>	185,676	163,604	13%	185,676	163,604	13%
Tax expense	(45,772)	(39,806)	15%	(45,772)	(39,806)	15%
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<u>139,904</u>	<u>123,798</u>	13%	<u>139,904</u>	<u>123,798</u>	13%
<b>Basic earnings per ordinary share (sen)</b>	4.10	3.63	13%	4.10	3.63	13%

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

**Westports Holdings Berhad (262761-A)**  
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**Condensed Consolidated Statement of Financial Position**

As At 31 March 2019

	<b>Unaudited As at 31.03.2019</b>	<b>Audited As at 31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,753,490	1,776,807
Concession assets	2,413,798	2,429,240
Right-of-use assets	73,252	-
<b>Total non-current assets</b>	<u>4,240,540</u>	<u>4,206,047</u>
<b>Current assets</b>		
Inventories	6,200	6,146
Trade and other receivables	454,943	431,176
Cash and short term investments	374,362	444,051
<b>Total current assets</b>	<u>835,505</u>	<u>881,373</u>
<b>Total assets</b>	<u>5,076,045</u>	<u>5,087,420</u>
<b>Equity</b>		
Share capital	1,038,000	1,038,000
Reserves	1,301,137	1,377,086
<b>Total equity</b>	<u>2,339,137</u>	<u>2,415,086</u>
<b>Non-current liabilities</b>		
Borrowings	1,400,000	1,400,000
Trade and other payables	162	589
Employee benefits	9,961	9,855
Deferred tax liabilities	384,580	373,495
Service concession obligation	249,787	261,111
Lease liabilities	41,895	-
<b>Total non-current liabilities</b>	<u>2,086,385</u>	<u>2,045,050</u>
<b>Current liabilities</b>		
Borrowings	100,000	100,000
Trade and other payables	195,870	177,190
Provisions	270,843	290,608
Tax payable	8,674	16,447
Service concession obligation	43,603	43,039
Lease liabilities	31,533	-
<b>Total current liabilities</b>	<u>650,523</u>	<u>627,284</u>
<b>Total liabilities</b>	<u>2,736,908</u>	<u>2,672,334</u>
<b>Total equity and liabilities</b>	<u>5,076,045</u>	<u>5,087,420</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

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**Condensed Consolidated Statement of Changes in Equity**

For The Period Ended 31 March 2019

*These figures have not been audited*

	Attributable to the owners of the Company			Total RM'000
	Non-distributable	Distributable	Retained Earnings RM'000	
	Goodwill			
	Share Capital RM'000	Written off Reserve RM'000		
<b>At 1 January 2018</b>	1,038,000	(47,732)	1,346,579	2,336,847
Profit for the period	-	-	123,798	123,798
<b>Total comprehensive income for the period</b>	-	-	123,798	123,798
<i>Distributions to owners of the Company</i>				
- Dividends	-	-	(271,095)	(271,095)
<b>Total transactions with owners of the Company</b>	-	-	(271,095)	(271,095)
<b>At 31 March 2018</b>	<u>1,038,000</u>	<u>(47,732)</u>	<u>1,199,282</u>	<u>2,189,550</u>
<b>At 1 January 2019</b>	1,038,000	(47,732)	1,424,818	2,415,086
Profit for the period	-	-	139,904	139,904
<b>Total comprehensive income for the period</b>	-	-	139,904	139,904
<i>Distributions to owners of the Company</i>				
- Dividends	-	-	(215,853)	(215,853)
<b>Total transactions with owners of the Company</b>	-	-	(215,853)	(215,853)
<b>At 31 March 2019</b>	<u>1,038,000</u>	<u>(47,732)</u>	<u>1,348,869</u>	<u>2,339,137</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

**Westports Holdings Berhad (262761-A)**  
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**Condensed Consolidated Statement of Cash Flows**

For The Period Ended 31 March 2019

*These figures have not been audited*

	<b>3 months ended</b>	
	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	185,676	163,604
Adjustments for :		
Amortisation of concession assets	20,421	20,248
Depreciation of right-of-use assets	9,356	-
Depreciation of property, plant and equipment	33,530	31,470
Dredging expenditure	781	-
Finance costs - accretion of service concession obligation	3,992	4,428
Finance costs - right-of-use assets	929	-
Finance costs - borrowings	17,829	18,290
Finance income	(2,874)	(3,559)
Provision for retirement benefits	139	139
Impairment loss on trade receivables	262	94
Reversal of impairment loss on trade receivables	(360)	-
	<hr/>	<hr/>
<b>Operating profit before working capital changes</b>	269,681	234,714
Changes in working capital:		
Trade and other receivables	(24,450)	(13,739)
Payment for dredging expenses	-	(12,746)
Trade and other payables	16,348	(98,897)
Inventories	(54)	1,556
Provisions	(19,765)	(39,223)
	<hr/>	<hr/>
<b>Cash generated from operations</b>	241,760	71,665
Income tax paid	(42,459)	(9,654)
Interest paid	(15,924)	(16,385)
Retirement benefits paid	(33)	(19)
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	183,344	45,607
<b>Cash flows from investing activities</b>		
Interest received	2,874	3,559
Purchase of property, plant and equipment	(10,213)	(17,779)
Additions to concession assets	(4,979)	(1,311)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	(12,318)	(15,531)

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**Condensed Consolidated Statement of Cash Flows (Continued)**

For The Period Ended 31 March 2019

*These figures have not been audited*

	3 months ended	
	31.03.2019	31.03.2018
	RM'000	RM'000
<b>Cash flows from financing activities</b>		
Fixed deposits pledged for borrowings	(352)	(323)
Dividends paid to shareholders	(215,853)	(271,095)
Repayment of lease liabilities	(10,110)	-
Annual lease paid for use of port infrastructures and facilities	(14,752)	(12,725)
<b>Net cash used in financing activities</b>	<u>(241,067)</u>	<u>(284,143)</u>
<b>Net decrease in cash and cash equivalents</b>	(70,041)	(254,067)
Cash and cash equivalents at 1 January	406,615	524,244
<b>Cash and cash equivalents at 31 March</b>	<u>336,574</u>	<u>270,177</u>

**(a) Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:**

Cash and bank balances	221,026	206,022
Money market fund	153,336	-
Fixed deposits with licensed banks	-	100,539
	<u>374,362</u>	<u>306,561</u>
Less : Pledged deposits	(37,788)	(36,384)
	<u>336,574</u>	<u>270,177</u>

**(b) Reconciliation of liabilities arising from financing activities**

The table below details the reconciliation of the movement of borrowings in the statements of cash flows is as follows:

	Net changes from financing cash flows			Accretion of interest	31.03.2019
	1.1.2019	RM'000	RM'000		
Sukuk MTN	1,500,000	-	-	-	1,500,000
Service concession obligation	304,150	(14,752)	3,992	-	293,390
<b>Total liabilities from financing activities</b>	<u>1,804,150</u>	<u>(14,752)</u>	<u>3,992</u>	<u>-</u>	<u>1,793,390</u>

	Net changes from financing cash flows			Accretion of interest	31.03.2018
	1.1.2018	RM'000	RM'000		
Sukuk MTN	1,500,000	-	-	-	1,500,000
Service concession obligation	337,341	(12,725)	4,428	-	329,044
<b>Total liabilities from financing activities</b>	<u>1,837,341</u>	<u>(12,725)</u>	<u>4,428</u>	<u>-</u>	<u>1,829,044</u>

**The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.**

## **Notes to Condensed Consolidated Interim Financial Statement for the First Quarter Ended 31 March 2019**

### **1. Basis of Preparation**

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the requirements of the Companies Act 2016 in Malaysia. This condensed consolidated interim financial statements also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements for the financial year ended 31 December 2018.

### **2. Significant Accounting Policies**

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with the annual audited consolidated financial statements for the financial year ended 31 December 2018 except for the adoption of the following MFRSs and Amendments to MFRSs during the current financial period:

- *MFRS 16 Leases*
- *Amendments to MFRS 9 Prepayment Features with Negative Compensation*
- *Amendments to MFRS119 Employee Benefits Plan Amendment, Curtailment or Settlement*
- *Amendments to MFRS 128 Long-term Interest in Associates and Joint Ventures*
- *IC Interpretation 23 Uncertainty over Income Tax Treatments*
- *MFRS 3 Business Combinations and MFRS 11 Joint Arrangements – Previously held interest in a joint operation (Annual improvements to MFRSs 2015-2017 cycle)*
- *MFRS 112 Income Taxes – Income tax consequences of payments on financial instruments classified as equity (Annual improvements to MFRSs 2015-2017 cycle)*
- *MFRS 123 Borrowing Costs – Borrowing costs eligible for capitalization (Annual improvements to MFRSs 2015-2017 cycle)*

The adoption of the above MFRSs and Amendments to MFRSs did not have any material financial impact on these condensed consolidated interim financial statements.



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As at the date of authorisation of these condensed consolidated financial statements, the following new MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

<b>MFRSs and Amendments to MFRSs and IC interpretation</b>		<b><i>Effective for annual periods beginning on or after</i></b>
MFRSs	<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	01-Jan-20
Amendments to MFRS 3	<i>Definition of a Business</i>	01-Jan-20
Amendments to MFRS 101 and MFRS 108	<i>Definition of Material</i>	01-Jan-20
MFRS 17	<i>Insurance Contracts</i>	01-Jan-21
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an investor and its Associate or Joint Venture</i>	Yet to be confirmed

The Group plans to apply the above applicable MFRSs, amendments and interpretations in the respective annual periods based on their effective dates and applicability.

The initial application of the accounting standards, amendments and interpretation are not expected to have any material financial impact on the financial statements of the Group.

**3. Qualification of Audit Report for the Preceding Annual Financial Statements**

There was no qualification on financial statements prepared for the financial year ended 31 December 2018.

**4. Seasonality or Cyclicity of Interim Operations**

There has been no material seasonal or cyclical factor affecting the results of the quarter under review.

**5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows because of their nature, size or incidence for the financial period to date.

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**6. Changes in Estimates**

There were no changes in estimates that have had a material effect for the current quarter and financial period to date.

**7. Debt and Equity Securities**

There were no issuance, repurchase and repayment of debt and equity securities by the Group for the financial period to date.

**8. Dividend Paid**

During the financial period, the Company has paid the following dividend:

	<b>RM'000</b>
Second interim dividend of 6.33 sen per ordinary share in respect of financial year ended 31 December 2018 on 1 March 2019	<u>215,853</u>

**9. Events Subsequent to the End of the Financial Period**

There were no other material events subsequent to quarter under review that have not been reflected in the quarterly financial statements.

**10. Segmental Information**

The Group has identified the business of port development and management of port operations as its sole operating segment.

The Board of Directors does not consider investment holding activities as a reportable operating segment. For the purpose of segmental reporting, non-reportable segment relates to administrative expenses of the holding company.

No segmental information is provided on a geographical basis as the Group's activities are carried out predominantly in Malaysia.

Performance is measured based on segment profit before finance income, finance cost and taxation as included in the internal management reports that are reviewed by the Board of Directors.

**Segment assets**

Segment assets information is not presented regularly to the Board of Directors and hence, no disclosure is made on segment assets.

**Segment liabilities**

Segment liabilities information is not presented regularly to the Board of Directors and hence, no disclosure is made on segment liabilities.

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	<b>Port development and management of port operations</b>			
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2019</b>	<b>31.03.2018</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit</b>				
Reportable segment profit	206,174	183,492	206,174	183,492
<i>Included in the measure of segment profit are :</i>				
Revenue - external customer	415,187	385,092	415,187	385,092
- construction service	-	-	-	-
Amortisation of concession assets	(20,421)	(20,248)	(20,421)	(20,248)
Depreciation of property, plant and equipment	(33,530)	(31,470)	(33,530)	(31,470)
Impairment of trade receivable	(262)	(94)	(262)	(94)
Reversal of Impairment of trade receivable	360	-	360	-
<b>Reconciliation of reportable segment profit and revenue</b>				
<b>Profit</b>				
Reportable segment	206,174	183,492	206,174	183,492
Non-reportable segment	(622)	(729)	(622)	(729)
Finance income	2,874	3,559	2,874	3,559
Finance costs	(22,750)	(22,718)	(22,750)	(22,718)
Consolidated profit before tax	<u>185,676</u>	<u>163,604</u>	<u>185,676</u>	<u>163,604</u>
<b>Revenue</b>				
Reportable segment	415,187	385,092	415,187	385,092
Non-reportable segment	-	-	-	-
Consolidated revenue	<u>415,187</u>	<u>385,092</u>	<u>415,187</u>	<u>385,092</u>

## 11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

## 12. Contingent Liabilities

	<b>As at</b>	<b>As at</b>
	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Claims related to Bills of Demand issued by the Royal Malaysian Customs Department	35,355	35,355
Bank guarantees (unsecured)	<u>6,765</u>	<u>18,433</u>

The subsidiary, Westports Malaysia Sdn Bhd (“WMSB”), was subjected to Port Clearance Audit by the Royal Malaysian Customs Department (“Customs”) on 23 November 2016.

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The Customs had issued several Bills of Demand which were dated between 17 July 2017 and 29 December 2017 totalling to RM59,508,000. The Bills of Demand included, inter alia, assessments for the years 2008 to 2011, import duty remittance for purchases of equipment and Goods and Services Tax for purchases made after April 2015.

WMSB has been engaging with the Customs and the Ministry of Finance and has also sought additional inputs to provide guidance but received an unfavourable decision from the authorities on 19 December 2017. An appeal is being processed to facilitate the convergence towards an amicable settlement in relation to the Bills of Demand.

The above contingent liability has not been provided and is contingent upon WMSB having an unfavourable outcome.

### 13. Capital Commitments

The amount of commitments for capital expenditure not provided for in the condensed consolidated interim financial statements as at 31 March 2019 are as follows:

	<b>As at 31.03.2019 RM'000</b>	<b>As at 31.12.2018 RM'000</b>
Capital expenditure commitments:		
Property, plant and equipment and concession assets		
- Authorised and contracted for	<u>54,013</u>	<u>61,704</u>
- Authorised but not contracted for	<u>-</u>	<u>-</u>

### 14. Related Party Transactions

Related party transactions have been entered into in the normal course of business and under negotiated terms. Details of the relationships and transactions between the Group and its significant related parties are as follows:

<u>Name of Company</u>	<u>Relationship</u>
Pembinaan Redzai Sdn Bhd ("PR")	Corporate shareholder
Cloud Ten Executive Travel & Tours Sdn Bhd ("C10")	Company in which a Director has significant financial interest
Gryss Holdings Sdn Bhd ("GH")	Company in which a Director has significant financial interest
PKT Logistics (M) Sdn Bhd ("PKT")	Company in which a Director has significant financial interest

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The transactions incurred for the financial period are as follows:

	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
PR - Administrative expenses	1	2	1	2
C10 - Flight ticket and accomodation	377	407	377	407
GH - Office rental	90	96	90	96
PKT - Revenue and rental income	1,053	(1,456)	1,053	(1,456)

## 15. Review of Performance

The summary of the operational results excluding construction revenue and costs are as follows:

	3 months ended			3 months ended		
	31.03.2019	31.03.2018	Changes	31.03.2019	31.03.2018	Changes
	RM'000	RM'000		RM'000	RM'000	
Revenue as reported	415,187	385,092	8%	415,187	385,092	8%
Less : Construction revenue (N1)	-	-	0%	-	-	0%
<b>Operational revenue</b>	<b>415,187</b>	<b>385,092</b>	<b>8%</b>	<b>415,187</b>	<b>385,092</b>	<b>8%</b>
Cost of sales as reported	159,187	159,397	0%	159,187	159,397	0%
Less : Construction cost (N1)	-	-	0%	-	-	0%
<b>Operational cost of sales</b>	<b>159,187</b>	<b>159,397</b>	<b>0%</b>	<b>159,187</b>	<b>159,397</b>	<b>0%</b>
Gross Profit	256,000	225,695	13%	256,000	225,695	13%
Profit before interest and tax	205,552	182,763	12%	205,552	182,763	12%
Profit before tax	185,676	163,604	13%	185,676	163,604	13%
Profit after tax	139,904	123,798	13%	139,904	123,798	13%

N1 - The construction revenue and cost are recorded in accordance with IC Interpretation 12 – *Service Concession Arrangements* and relate to the construction of port development infrastructures under the privatisation agreements. The port development infrastructure are recognised as concession assets in the statement of financial position and amortised over the remaining concession period.

### Quarter Ended 31 March 2019 compared to Quarter Ended 31 March 2018

The Group recorded revenue of RM415.2 million in quarter ended 31 March 2019 (“1Q19”), growth by 8% compared to corresponding period last year (“1Q18”). It was mainly attributed to double digit growth in container volume and the implementation of Container tariff hike with effect from 1 March 2019.

The Group recorded profit before tax (“PBT”) of RM185.7 million in 1Q19 representing 13% increase compared to 1Q18. The growth in PBT were due to higher gross profit.

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The Group profit after tax (“PAT”) of RM139.9 million was increased by 13% compared to 1Q18 mainly contributed by tariff hike in March 2019.

**16. Changes in the Quarterly Results compared to the Results of the Preceding Quarter**

The summary of the operational results are as follows:

	3 months ended		Changes
	31.03.2019	31.12.2018	
	RM'000	RM'000	
Operational revenue	415,187	418,015	-1%
Gross profit	256,000	255,846	0%
Profit before interest and tax	205,552	212,526	-3%
Profit before tax	185,676	193,848	-4%
Profit after tax	139,904	145,542	-4%

The Group operational revenue in 1Q19 dropped by 1% compared to the preceding quarter ended 31 December 2018 (“4Q18”) mainly attributed by lower container volume by 1%.

The Group recorded PBT of RM185.7 million in 1Q19, down by 4% compared to 4Q18. It was due to one-off gain on forex for 4Q18.

The Group PAT of RM139.9 million, down by 4% and was due to similar reasons mentioned above

**17. Current Year’s Prospects**

Westports Container throughput is expected to register a single-digit percentage growth rate in 2019.

**18. Profit Forecast or Profit Guarantee**

The Group did not provide any profit forecast or profit guarantee.

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**19. Tax Expense**

The breakdown between current tax and deferred tax for the Group are as follows:-

	<b>Current quarter 31.03.2019 RM'000</b>	<b>Financial period-to-date 31.03.2019 RM'000</b>
Current tax	34,686	34,686
Deferred tax	11,086	11,086
	<u>45,772</u>	<u>45,772</u>

**20. Status of Proposed Expansion**

On 25 August 2017 the Company announced to Bursa, that its wholly-owned subsidiary, WMSB has received an Approval-in-Principle (“AIP”) from the Government of Malaysia (“GOM”), to expand its container terminal facilities beyond CT9 (“Proposed Expansion”). The terms and conditions of the Proposed Expansion are subjected to further deliberations between the GOM and WMSB. In the meantime, the Company has appointed professional consultants to undertake the various studies required.

On 30 April 2018, the Company announced the acquisition of a piece of leasehold land under the sea with the size of 154.2 hectares (381 acres) from Perbadanan Kemajuan Negeri Selangor (“PKNS”) after going through a successful bidding process. The Company is now evaluating the proposed acquisition of a second piece of adjacent land that would be required to facilitate the Proposed Expansion in the future.

The Company wish to update that ongoing preparations are being carried out towards the Proposed Expansion.

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**21. Borrowings and Debts Securities**

The Group's borrowing position as at 31 March 2019 is as follows:-

	<b>As at 31.03.2019 RM'000</b>	<b>As at 31.12.2018 RM'000</b>
Non-current		
Unsecured Sukuk Musharakah Medium Term Note ("SMTN")	1,400,000	1,400,000
Current		
Unsecured Sukuk Musharakah Medium Term Note ("SMTN")	100,000	100,000
Total Borrowings	1,500,000	1,500,000

SMTN has been implemented on a clean basis and certain pledged deposits (as disclosed in the statement of cash flow) are maintained in the Finance Service Reserve Account. The above borrowings are denominated in Ringgit Malaysia.

**22. Changes in Material Litigation**

There was no material litigation action as at 19 April 2019, the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report.

**23. Dividends**

Save as disclosed in Note 8, the Directors did not recommend any dividend for the period ended 31 March 2019.

**24. Earnings per Share**

Basic earnings per share

The basic earnings per ordinary share is calculated by dividing the profit attributable to ordinary shareholders of the Company for the financial period by the weighted average number of ordinary shares in issue during the financial period.



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	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary shareholders of the Company	139,904	123,798	139,904	123,798
Weighted average number of ordinary shares in issues (million)	3,410	3,410	3,410	3,410
Basic earnings per ordinary share (sen)	4.10	3.63	4.10	3.63
<u>Diluted earnings per share</u>				

The diluted earnings per share of the Group are similar to the basic earnings per share as the Group does not have any dilutive instruments.

## 25. Profit Before Tax

Profit before tax for the financial period is arrived at after charging/(crediting) the following items:-

	3 months ended		3 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Finance costs	22,750	22,718	22,750	22,718
Finance income	(2,874)	(3,559)	(2,874)	(3,559)
Amortisation of concession assets	20,421	20,248	20,421	20,248
Depreciation of property, plant and equipment	33,530	31,470	33,530	31,470
Dredging expenditure	781	-	781	-
Net realised foreign exchange (gain)/loss	197	(1)	197	(1)
Provision for retirement benefits	139	139	139	139
Impairment loss on trade receivables	262	94	262	94
Reversal of impairment loss on trade receivables	(360)	-	(360)	-

There were no other gains/losses on disposal or impairment of properties and/or derivatives included in the results for the current quarter and preceding year corresponding quarter.

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**26. Fair Value Information**

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate their fair values due to the relatively short term nature of these financial instruments.

Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical financial assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liabilities, either directly or indirectly
- Level 3 – Inputs for the financial asset or liabilities that are not based on observable market data

The following table analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instrument not carried at fair value			Fair Value RM'000	Carrying amount RM'000
	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000		
<b>At 31 March 2019</b>					
<b>Financial Liabilities</b>					
Trade and other payables	-	-	162	162	162
Borrowings	-	-	1,291,559	1,291,559	1,500,000
Service concession obligation	-	-	226,043	226,043	261,112
<b>At 31 December 2018</b>					
<b>Financial Liabilities</b>					
Trade and other payables	-	-	589	589	589
Borrowings	-	-	1,422,683	1,422,683	1,500,000
Service concession obligation	-	-	256,856	256,856	304,150

The fair value of the borrowings and service concession obligation are calculated based on the present value of net cash flows, discounted at the indicative market profit rate at the end of the reporting period.

**27. Authorisation for Issue**

This quarterly financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors.