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Westports Holdings Berhad

(Company No. 262761-A)

(Incorporated in Malaysia)

**Quarterly Financial Report for the
First Quarter Ended 31 March 2015**

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 2015

These figures have not been audited

| | 3 months ended | | 3 months ended | |
|---|----------------|------------|----------------|------------|
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 398,722 | 363,158 | 398,722 | 363,158 |
| Cost of sales | (183,517) | (178,200) | (183,517) | (178,200) |
| Gross profit | 215,205 | 184,958 | 215,205 | 184,958 |
| Other income | 1,205 | 1,825 | 1,205 | 1,825 |
| Administrative expenses | (5,148) | (5,598) | (5,148) | (5,598) |
| Other expenses | (35,696) | (35,655) | (35,696) | (35,655) |
| Results from operating activities | 175,566 | 145,530 | 175,566 | 145,530 |
| Finance income | 3,720 | 2,208 | 3,720 | 2,208 |
| Finance costs | (19,686) | (16,103) | (19,686) | (16,103) |
| Profit before tax | 159,600 | 131,635 | 159,600 | 131,635 |
| Tax expense | (39,414) | (22,599) | (39,414) | (22,599) |
| Profit / Total comprehensive income for the period attributable to owners of the Company | 120,186 | 109,036 | 120,186 | 109,036 |
| Basic earnings per ordinary share (sen) | 3.52 | 3.20 | 3.52 | 3.20 |

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 2014 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 2015

| | Unaudited As at 31.03.2015 RM'000 | Audited As at 31.12.2014 RM'000 |
|--------------------------------------|--|--|
| Non-current assets | | |
| Property, plant and equipment | 1,357,741 | 1,321,691 |
| Concession assets | 1,874,125 | 1,877,216 |
| Total non-current assets | 3,231,866 | 3,198,907 |
| Current assets | | |
| Trade and other receivables | 196,164 | 202,657 |
| Investment in securities | 11,114 | - |
| Cash and cash equivalents | 346,578 | 444,558 |
| Total current assets | 553,856 | 647,215 |
| Total assets | 3,785,722 | 3,846,122 |
| Equity | | |
| Share capital | 341,000 | 341,000 |
| Share premium | 697,000 | 697,000 |
| Reserves | 636,706 | 726,235 |
| Total equity | 1,674,706 | 1,764,235 |
| Non-current liabilities | | |
| Borrowings | 1,150,000 | 1,150,000 |
| Employee benefits | 10,118 | 9,992 |
| Deferred tax liabilities | 277,127 | 272,665 |
| Service concession obligation | 392,379 | 398,838 |
| Total non-current liabilities | 1,829,624 | 1,831,495 |
| Current liabilities | | |
| Trade and other payables | 137,374 | 131,267 |
| Provisions | 86,366 | 86,925 |
| Tax payable | 30,928 | 5,476 |
| Service concession obligation | 26,724 | 26,724 |
| Total current liabilities | 281,392 | 250,392 |
| Total liabilities | 2,111,016 | 2,081,887 |
| Total equity and liabilities | 3,785,722 | 3,846,122 |

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 2014 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 2015

These figures have not been audited

| | ← Attributable to the owners of the Company → | | | | |
|--|---|----------------------------|----------------------------------|--------------------------------|-----------------|
| | ← Non-distributable → | | | Distributable | |
| | Goodwill | | | | |
| | Share Capital RM'000 | Share Premium RM'000 | Written off Reserve RM'000 | Retained Earnings RM'000 | Total RM'000 |
| At 1 January 2014 | 341,000 | 697,000 | (47,732) | 613,674 | 1,603,942 |
| Profit/ Total comprehensive income for the year | - | - | - | 109,036 | 109,036 |
| <i>Distributions to owners of the Company</i> | | | | | |
| - Dividends | - | - | - | (178,002) | (178,002) |
| Total transactions with owners of the Company | - | - | - | (178,002) | (178,002) |
| At 31 March 2014 | 341,000 | 697,000 | (47,732) | 544,708 | 1,534,976 |
| At 1 January 2015 | 341,000 | 697,000 | (47,732) | 773,967 | 1,764,235 |
| Profit/ Total comprehensive income for the year | - | - | - | 120,186 | 120,186 |
| <i>Distributions to owners of the Company</i> | | | | | |
| - Dividends | - | - | - | (209,715) | (209,715) |
| Total transactions with owners of the Company | - | - | - | (209,715) | (209,715) |
| At 31 March 2015 | 341,000 | 697,000 | (47,732) | 684,438 | 1,674,706 |

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 2014 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 Cash Flows

For The Financial Period Ended 31 March 2015

These figures have not been been audited

| | 3 months ended | |
|--|-----------------------|-------------------|
| | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 |
| Cash flows from operating activities | | |
| Profit before tax | 159,600 | 131,635 |
| Adjustments for : | | |
| Amortisation of dredging expenditure | 955 | 955 |
| Amortisation of concession assets | 15,320 | 14,981 |
| Depreciation of property, plant and equipment | 22,114 | 18,238 |
| (Gain)/Loss on disposal of property, plant and equipment | (363) | 5 |
| Finance costs - accretion of concession liability | 5,808 | 5,919 |
| Finance costs - borrowings | 13,878 | 10,184 |
| Finance income | (3,720) | (2,208) |
| Provision for retirement benefits | 137 | 133 |
| Operating profit before working capital changes | 213,729 | 179,842 |
| Changes in working capital: | | |
| Trade and other receivables | 5,538 | (1,803) |
| Trade and other payables | (7,771) | (135,922) |
| Provisions | (559) | 289 |
| Cash generated from operations | 210,937 | 42,406 |
| Income tax paid | (9,500) | (10,235) |
| Retirement benefits paid | (11) | (102) |
| Net cash generated from operating activities | 201,426 | 32,069 |
| Cash flows from investing activities | | |
| Interest received | 3,720 | 2,208 |
| Proceeds from disposal of property, plant and equipment | 365 | 2 |
| Purchase of property, plant and equipment | (58,010) | (64,063) |
| Additions to concession assets | (12,229) | (18,466) |
| (Purchase)/Usage of spares, net | (155) | 148 |
| Investment in securities | (11,114) | - |
| Net cash used in investing activities | (77,423) | (80,171) |

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Condensed Consolidated Statement of Cash Flows (Continued)

For The Financial Period Ended 31 March 2015

These figures have not been been audited

| | 3 months ended | |
|--|----------------|------------|
| | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 |
| Cash flows from financing activities | | |
| Fixed deposit pledge for borrowings | (269) | (194) |
| Interest paid | - | (181) |
| Proceeds from revolving credit facility | - | 59,000 |
| Dividends paid to shareholders | (209,715) | (178,002) |
| Annual lease paid for use of port infrastructures and facilities | (12,268) | (12,268) |
| Net cash used in financing activities | (222,252) | (131,645) |
| Net decrease in cash and cash equivalents | (98,249) | (179,747) |
| Cash and cash equivalents at 1 January | 414,202 | 317,600 |
| Cash and cash equivalents at 31 March | 315,953 | 137,853 |

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

| | | |
|------------------------------------|----------|----------|
| Cash and bank balances | 89,122 | 57,852 |
| Fixed deposits with licensed banks | 257,456 | 104,250 |
| | 346,578 | 162,102 |
| Less : Pledged deposits | (30,625) | (24,249) |
| | 315,953 | 137,853 |

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 2014 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

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**Notes to Condensed Consolidated Interim Financial Statements
for the First Quarter Ended 31 March 2015**

These figures have not been audited

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 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”). 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 2014.

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 2014 except for the adoption of the following IC Interpretation and Amendments to MFRSs during the current financial period.

| | |
|------------------------|--|
| Amendments to MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle) |
| Amendments to MFRS 2 | Share-based Payments (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 3 | Business Combination (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 8 | Operating Segments (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 13 | Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle) |
| Amendments to MFRS 116 | Property Plant and Equipment (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 119 | Employee Benefit – Defined Benefit Plans: Employee Contributions |
| Amendments to MFRS 124 | Related Party Disclosures (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 138 | Intangible Assets (Annual Improvements 2010-2012 Cycle) |
| Amendments to MFRS 140 | Investment Property (Annual Improvements 2011-2013 Cycle) |

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

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

| MFRSs and Amendments to MFRSs | | <i>Effective for annual periods beginning on or after</i> |
|---|---|---|
| Amendments to MFRS 5,7,119,134 | <i>Annual Improvements to MFRSs 2012 - 2014 Cycle</i> | 1-Jan-16 |
| Amendments to MFRS 10 and 128 | <i>MFRS 10 - Consolidated Financial Statement and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | 1-Jan-16 |
| Amendments to MFRS 10, 12 and 128 | <i>MFRS 10 - Consolidated Financial Statement, MFRS 12, Disclosures of Interest in Other Entities and MFRS 128, Investment in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception</i> | 1-Jan-16 |
| Amendment to MFRS 11 | <i>Joint Arrangements - Accounting for Acquisitions of Interest in Joint Operations</i> | 1-Jan-16 |
| Amendment to MFRS 101 | <i>Presentation of Financial Statement - Disclosure Initiative</i> | 1-Jan-16 |
| Amendments to MFRS 116 and 138 | <i>MFRS 116 - Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation</i> | 1-Jan-16 |
| Amendment to MFRS 127 | <i>Separate Financial Statement - Equity Method in Separate Financial Statement</i> | 1-Jan-16 |
| MFRS 14 | <i>Regulatory Deferral Accounts</i> | 1-Jan-16 |
| MFRS 15 | <i>Revenue from Contracts with Customers</i> | 1-Jan-17 |
| MFRS 9 | <i>Financial Instruments (2014)</i> | 1-Jan-18 |

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

The initial application of the accounting standards and amendments are not expected to have any material financial impacts on the financial statements of the Group except as mentioned below:

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MFRS 15, Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programmes, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue - Barter Transactions Involving Advertising Services.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15.

MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instrument: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

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 2014.

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 ended 31 March 2015.

6. Changes in Estimates

There were no changes in estimates that have had a material effect for the financial period ended 31 March 2015.

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7. Debt and Equity Securities

There were no issuance, repurchase and repayment of debt and equity securities by the Group for the financial period ended 31 March 2015.

8. Dividend Paid

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

| | RM'000 |
|--|----------------|
| Second interim single tier dividend of 6.15 sen per ordinary share of RM0.10 each in respect of financial year ended 31 December 2014 on 11 March 2015 | <u>209,715</u> |

9. Events Subsequent to the End of the Financial Period

There were no 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.

Segment profit

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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| | Port development and management of port operations | | | |
|--|---|-------------------|-----------------------|-------------------|
| | 3 months ended | | 3 months ended | |
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit | | | | |
| Reportable segment | 176,226 | 146,005 | 176,226 | 146,005 |
| <i>Included in the measure of segment profit are :</i> | | | | |
| Revenue - external customer | 386,748 | 348,268 | 386,748 | 348,268 |
| - construction service | 11,974 | 14,890 | 11,974 | 14,890 |
| Amortisation of concession assets | 15,320 | 14,981 | 15,320 | 14,981 |
| Depreciation of property, plant and equipment | 22,114 | 18,238 | 22,114 | 18,238 |

Reconciliation of reportable segment profit and revenue

| | | | | |
|--------------------------------|----------|----------|----------|----------|
| Profit | | | | |
| Reportable segment | 176,226 | 146,005 | 176,226 | 146,005 |
| Non-reportable segment | (660) | (475) | (660) | (475) |
| Finance income | 3,720 | 2,208 | 3,720 | 2,208 |
| Finance cost | (19,686) | (16,103) | (19,686) | (16,103) |
| Consolidated profit before tax | 159,600 | 131,635 | 159,600 | 131,635 |
| Revenue | | | | |
| Reportable segment | 398,722 | 363,158 | 398,722 | 363,158 |
| Non-reportable segment | - | - | - | - |
| Consolidated revenue | 398,722 | 363,158 | 398,722 | 363,158 |

11. Changes in Composition of the Group

Vehicle Transit Centre (Malaysia) Sdn Bhd, a wholly-owned subsidiary of the Company which was placed under the member's voluntary winding-up has been dissolved on 28 January 2015 pursuant to Section 272 (5) of the Companies Act, 1965.

Save for the above, there were no changes in the composition of the Group during the current quarter and financial year under review.

12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at 22 April 2015, the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report.

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13. Capital Commitments

The amount of commitments for capital expenditure not provided for in interim condensed financial statements as at 31 March 2015 are as follows:

| | As at 31.03.2015 RM'000 | As at 31.12.2014 RM'000 |
|--|--|--|
| Capital expenditure commitments: | | |
| Property, plant and equipment and concession assets | | |
| - Authorised and contracted for | <u>570,057</u> | <u>592,430</u> |
| - Authorised but not contracted for | <u>95,048</u> | <u>50,532</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> |
|---|---|
| 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 |
| Westports Bunkering Services Sdn Bhd ("WEBS") | Wholly-owned subsidiary of Pembinaan Redzai Sdn Bhd, a Corporate shareholder |

The transactions incurred for the financial period are as follows:

| | 3 months ended | | 3 months ended | |
|--------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31.03.2015 RM'000 | 31.03.2014 RM'000 | 31.03.2015 RM'000 | 31.03.2014 RM'000 |
| C10 - Flight ticket and accomodation | 140 | 423 | 140 | 423 |
| GH - Office rental | 85 | 59 | 85 | 59 |
| WEBS - Rental income | (222) | (222) | (222) | (222) |

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15. Review of Performance

The operational revenue and cost of sales excluding construction revenue and costs are as follows:

| | 3 months ended | | 3 months ended | |
|----------------------------------|----------------|------------|----------------|------------|
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue as reported | 398,722 | 363,158 | 398,722 | 363,158 |
| Less : Construction revenue (N1) | (11,974) | (14,890) | (11,974) | (14,890) |
| Operational revenue | 386,748 | 348,268 | 386,748 | 348,268 |
| Cost of sales as reported | 183,517 | 178,200 | 183,517 | 178,200 |
| Less : Construction cost (N1) | (11,974) | (14,890) | (11,974) | (14,890) |
| Operational cost of sales | 171,543 | 163,310 | 171,543 | 163,310 |

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 2015 compared to Quarter Ended 31 March 2014

The Group recorded operational revenue of RM386.7 million for the quarter ended 31 March 2015 (“Q115”) compared to RM348.3 million for the corresponding quarter last year, which represents an increase of 11%. Container throughput has increased by 17% from 1.93 million to 2.26 million Twenty-foot Equivalent Units (“TEUs”) for period under review.

The Group recorded profit before tax of RM159.6 million for Q115 compared to RM131.6 million for the quarter ended 31 March 2014, an increase of 21%.

16. Changes in the Quarterly Profit Before Tax compared to the Results of the Preceding Quarter

The Group achieved a profit before tax of RM159.6 million for the quarter under review, increased by 12% compared to profit before tax of RM142.2 million achieved in the immediately preceding quarter ended 31 December 2014. Excluding the write-off of assets taken up the preceding quarter as reported, the growth would be at 4%.

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17. Current Year's Prospects

We expect our container throughput to grow between 5% to 10% in 2015 driven mainly by both transshipment business as well as the import and export segment.

We have commenced CT8 expansion plan in January 2015. The first phase of the expansion, consisting of a 300-meter wharf and supporting port equipment and facilities, is expected to be completed in early 2016 while the second phase is expected to be operational by mid-2017. Our container handling capacity will increase to 13.5 million TEUs upon the completion of CT 8 in mid-2017 from present 11.0 million TEUs.

18. Profit Forecast or Profit Guarantee

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

19. Tax Expense

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

| | Current quarter 31.03.2015 RM'000 |
|--------------|--|
| Current tax | 34,952 |
| Deferred tax | 4,462 |
| | <u>39,414</u> |

The effective tax rate for current quarter is slightly higher than statutory tax rate due to certain expenses are not being allowed as a deductions for tax purposes.

20. Status of Corporate Proposals

There is no corporate proposal which is announced but not completed as at 22 April 2015, the latest practicable date which shall not be earlier than 7 days from date of issue of this quarterly report.

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21. Borrowings and Debts Securities

The Group's borrowing position as at 31 March 2015 is as follows:-

| | As at 31.03.2015 RM'000 | As at 31.12.2014 RM'000 |
|--|--|--|
| Non-current | | |
| Sukuk Musharakah Medium Term Note ("SMTN") | 1,150,000 | 1,150,000 |
| | <u>1,150,000</u> | <u>1,150,000</u> |

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 22 April 2015, 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 2015.

24. Investment in securities

The company has made investment in quoted shares during the financial period under review amounting to RM11.1 million.

25. 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 | |
|--|----------------|------------|----------------|------------|
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit attributable to ordinary shareholders of the Company | 120,186 | 109,036 | 120,186 | 109,036 |
| Weighted average number of ordinary shares in issues (million) | 3,410 | 3,410 | 3,410 | 3,410 |
| Basic earnings per ordinary share (sen) | 3.52 | 3.20 | 3.52 | 3.20 |

Diluted earnings per share

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.

26. Disclosure of Realised and Unrealised Profit or Loss

The breakdown of the retained earnings of the Group, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:-

| | As at 31.03.2015 RM'000 | As at 31.12.2014 RM'000 |
|---|-------------------------------|-------------------------------|
| Total retained earnings of the Company and its subsidiaries | | |
| - realised | 961,565 | 1,046,632 |
| - unrealised | (277,127) | (272,665) |
| Consolidated Retained Earnings | 684,438 | 773,967 |

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

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27. 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 | |
|---|----------------|------------|----------------|------------|
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Finance cost | 19,686 | 16,103 | 19,686 | 16,103 |
| Amortisation of concession assets | 15,320 | 14,981 | 15,320 | 14,981 |
| Depreciation of property, plant and equipment | 22,114 | 18,238 | 22,114 | 18,238 |
| Amortisation of dredging expenditure | 955 | 955 | 955 | 955 |
| Provision for retirement benefits | 137 | 133 | 137 | 133 |
| Net realised foreign exchange gain | (12) | (202) | (12) | (202) |
| (Gain)/Loss on disposal of property, plant and equipment | (363) | 5 | (363) | 5 |
| Interest income | (3,720) | (2,208) | (3,720) | (2,208) |
| Other income | (1,205) | (1,825) | (1,205) | (1,825) |

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

28. Authorisation for Issue

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