



PROVEN. TRUSTED. FRIENDLY.

Westports Holdings Berhad

(Company No. 262761-A)

(Incorporated in Malaysia)

**Quarterly Financial Report for the
First Quarter Ended 31 March 2018**

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

<u>Table of Contents</u>	<u>Pages</u>
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5-6
Notes to the Condensed Consolidated Financial Statements	7-17

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 2018

These figures have not been audited

	3 months ended			3 months ended		
	31.03.2018	31.03.2017	Changes	31.03.2018	31.03.2017	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	385,092	520,930	-26%	385,092	520,930	-26%
Cost of sales	(159,397)	(282,409)	-44%	(159,397)	(282,409)	-44%
Gross profit	225,695	238,521	-5%	225,695	238,521	-5%
Other income	2,267	1,983	14%	2,267	1,983	14%
Administrative expenses	(5,309)	(5,448)	-3%	(5,309)	(5,448)	-3%
Other expenses	(39,890)	(40,311)	-1%	(39,890)	(40,311)	-1%
Results from operating activities	182,763	194,745	-6%	182,763	194,745	-6%
Finance income	3,559	2,903	23%	3,559	2,903	23%
Finance costs	(22,718)	(18,566)	22%	(22,718)	(18,566)	22%
Profit before tax	163,604	179,082	-9%	163,604	179,082	-9%
Tax expense	(39,806)	(38,193)	4%	(39,806)	(38,193)	4%
Total comprehensive income for the period attributable to owners of the Company	123,798	140,889	-12%	123,798	140,889	-12%
Basic earnings per ordinary share (sen)	3.63	4.13	-12%	3.63	4.13	-12%

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 2017 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

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

Condensed Consolidated Statement of Financial Position
As At 31 March 2018

	Unaudited As at 31.03.2018 RM'000	Audited As at 31.12.2017 RM'000
Non-current assets		
Property, plant and equipment	1,815,239	1,828,931
Concession assets	2,355,412	2,374,350
Total non-current assets	4,170,651	4,203,281
Current assets		
Inventories	9,761	11,318
Tax receivable	2,770	3,244
Trade and other receivables	332,223	305,831
Cash and cash equivalents	306,561	560,305
Total current assets	651,315	880,698
Total assets	4,821,966	5,083,979
Equity		
Share capital	1,038,000	1,038,000
Reserves	1,089,384	1,236,681
Total equity	2,127,384	2,274,681
Non-current liabilities		
Borrowings	1,500,000	1,500,000
Other payables	44,476	44,476
Employee benefits	9,678	9,559
Deferred tax liabilities	330,452	300,774
Service concession obligation	297,508	304,150
Total non-current liabilities	2,182,114	2,158,959
Current liabilities		
Trade and other payables	279,563	376,555
Provisions	201,369	240,593
Service concession obligation	31,536	33,191
Total current liabilities	512,468	650,339
Total liabilities	2,694,582	2,809,298
Total equity and liabilities	4,821,966	5,083,979

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 2017 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

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

Condensed Consolidated Statement of Changes in Equity

For The Period Ended 31 March 2018

These figures have not been audited

	← Attributable to the owners of the Company →				Total RM'000
	Share Capital RM'000	Share Premium RM'000	Goodwill Written off Reserve RM'000	Retained Earnings RM'000	
At 1 January 2017	341,000	697,000	(47,732)	1,078,657	2,068,925
Profit for the year	-	-	-	140,889	140,889
Total comprehensive income for the year	-	-	-	140,889	140,889
<i>Distributions to owners of the Company</i>					
- Dividends	-	-	-	(228,470)	(228,470)
Total transactions with owners of the Company	-	-	-	(228,470)	(228,470)
At 31 March 2017	341,000	697,000	(47,732)	991,076	1,981,344
At 1 January 2018	1,038,000	-	(47,732)	1,284,413	2,274,681
Profit for the year	-	-	-	123,798	123,798
Total comprehensive income for the period	-	-	-	123,798	123,798
<i>Distributions to owners of the Company</i>					
- Dividends	-	-	-	(271,095)	(271,095)
Total transactions with owners of the Company	-	-	-	(271,095)	(271,095)
At 31 March 2018	1,038,000	-	(47,732)	1,137,116	2,127,384

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 2017 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial statements.

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

Condensed Consolidated Statement of Cash Flows

For The Period Ended 31 March 2018

These figures have not been audited

	3 months ended	
	31.03.2018	31.03.2017
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	163,604	179,082
Adjustments for :		
Amortisation of concession assets	20,248	16,867
Depreciation of property, plant and equipment	31,470	26,665
Dredging expenditure	-	785
Finance costs - accretion of service concession obligation	4,428	4,842
Finance costs - borrowings	18,290	13,724
Finance income	(3,559)	(2,903)
Provision for retirement benefits	139	131
Impairment loss on trade receivables	94	-
	<hr/>	<hr/>
Operating profit before working capital changes	234,714	239,193
Changes in working capital:		
Trade and other receivables	(13,739)	3,223
Trade and other payables	(98,897)	91,277
Inventories	1,556	(513)
Provisions	(39,223)	(36,667)
	<hr/>	<hr/>
Cash generated from operations	84,411	296,513
Income tax paid	(9,654)	(21,610)
Interest paid	(16,385)	-
Retirement benefits paid	(19)	-
	<hr/>	<hr/>
Net cash generated from operating activities	58,353	274,903
 Cash flows from investing activities		
Interest received	3,559	2,903
Purchase of property, plant and equipment	(17,779)	(144,337)
Additions to concession assets	(1,311)	(86,933)
Payment for dredging expenditure	(12,746)	-
	<hr/>	<hr/>
Net cash used in investing activities	(28,277)	(228,367)

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

Condensed Consolidated Statement of Cash Flows (Continued)

For The Period Ended 31 March 2018

These figures have not been audited

	3 months ended	
	31.03.2018	31.03.2017
	RM'000	RM'000
Cash flows from financing activities		
Fixed deposits pledged for borrowings	(323)	(73)
Proceeds from revolving credit facility	-	50,000
Dividends paid to shareholders	(271,095)	(228,470)
Annual lease paid for use of port infrastructures and facilities	(12,725)	(12,725)
Net cash used in financing activities	(284,143)	(191,268)
Net decrease in cash and cash equivalents	(254,067)	(144,732)
Cash and cash equivalents at 1 January	524,244	387,907
Cash and cash equivalents at 31 March	270,177	243,175

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

Cash and bank balances	206,022	156,384
Fixed deposits with licensed banks	100,539	119,467
	306,561	275,851
Less : Pledged deposits	(36,384)	(32,676)
	270,177	243,175

(b) **Reconciliation of movement of liabilities to cash flows arising from financing activities**

The movement of borrowings in the statements of cash flow was as follows:

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

In accordance with the transitional provision of Disclosure Initiative (*Amendment to MFRS 107*) for the reconciliation of movement of liabilities to cash flows arising from financing activities, comparative information is not required for preceding periods.

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 2017 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

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

**Notes to Condensed Consolidated Financial Statement
for the First Quarter Ended 31 March 2018**

1. Basis of Preparation

The condensed consolidated 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 financial statements also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the financial year ended 31 December 2017.

2. Significant Accounting Policies

The accounting policies adopted in these condensed consolidated financial statements are consistent with the annual audited consolidated financial statements for the financial year ended 31 December 2017 except for the adoption of the following MFRSs and Amendments to MFRSs during the current financial period:

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs Standards 2014-2016 cycle)*
- Amendments to MFRS 2, *Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual improvements to MFRSs 2014-2016 Cycle)*
- Amendments to MFRS 140, *Transfer of Investment Property*
- Amendments to MFRS 4, *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*

The adoption of the above MFRSs and Amendments to MFRSs did not have any material financial impact on these condensed consolidated financial statements save as disclosed in Note 15 and Note 16.

As at the date of authorisation of these condensed consolidated financial statements, the following new MFRSs, Amendments to MFRSs and IC

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

Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs and Amendments to MFRSs and IC Interpretation	<i>Effective for annual periods beginning on or after</i>
MFRS 16	01-Jan-19
Leases	
IC Interpretation 23	01-Jan-19
<i>Uncertainty over Income Tax Treatments</i>	
Amendments to	01-Jan-19
MFRS 3	
<i>Business Combinations (Annual Improvements to MFRS Standards 2015- 2017 Cycle)</i>	
Amendments to	01-Jan-19
MFRS 9	
<i>Prepayment Features with Negative compensation</i>	
Amendments to	01-Jan-19
MFRS 11	
<i>Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	
Amendments to	01-Jan-19
MFRS 112	
<i>Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	
Amendments to	01-Jan-19
MFRS 119	
<i>Employee Benefits (Plan Amendment, Curtailement or settlement)</i>	
Amendments to	01-Jan-19
MFRS 123	
<i>Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	
Amendments to	01-Jan-19
MFRS 128	
<i>Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures</i>	
MFRS 17	01-Jan-21
<i>Insurance Contracts</i>	
Amendments to	Yet to be
MFRS 10 and 128	confirmed
<i>Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	

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 except as mentioned below:

MFRS 16, Leases

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

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

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

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 2017.

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 year.

6. Changes in Estimates

There were no changes in estimates that have had a material effect for the current quarter and financial year results.

7. Debt and Equity Securities

There were no issuance, repurchase and repayment of debt and equity securities by the Group for the financial year ended 31 March 2018.

8. Dividend Paid

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

	RM'000
Second interim dividend of 7.95 sen per ordinary share in respect of financial year ended 31 December 2017 on 6 March 2018	<u>271,095</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.

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

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.

	Port development and management of port operations			
	3 months ended		3 months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	RM'000	RM'000	RM'000	RM'000
Profit				
Reportable segment profit	183,492	195,359	183,492	195,359
<i>Included in the measure of segment profit are :</i>				
Revenue - external customer	385,092	438,563	385,092	438,563
- construction service	-	82,367	-	82,367
Amortisation of concession assets	(20,248)	(16,867)	(20,248)	(16,867)
Depreciation of property, plant and equipment	(31,470)	(26,665)	(31,470)	(26,665)
Impairment of trade receivable	(94)	-	(94)	-
Reconciliation of reportable segment profit and revenue				
Profit				
Reportable segment	183,492	195,359	183,492	195,359
Non-reportable segment	(729)	(614)	(729)	(614)
Finance income	3,559	2,903	3,559	2,903
Finance costs	(22,718)	(18,566)	(22,718)	(18,566)
Consolidated profit before tax	<u>163,604</u>	<u>179,082</u>	<u>163,604</u>	<u>179,082</u>
Revenue				
Reportable segment	385,092	520,930	385,092	520,930
Non-reportable segment	-	-	-	-
Consolidated revenue	<u>385,092</u>	<u>520,930</u>	<u>385,092</u>	<u>520,930</u>

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

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

	As at 31.03.2018 RM'000	As at 31.03.2017 RM'000
Claims related to Bills of Demand issued by the Royal Malaysian Customs Department	35,355	-
Bank guarantees (unsecured)	<u>18,433</u>	<u>1,025</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.

The Customs had issued several Bills of Demand which were dated between 17 July 2017 and 29 September 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 losing its appeal.

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

13. Capital Commitments

The amount of commitments for capital expenditure not provided for in the condensed consolidated financial statements as at 31 March 2018 are as follows:

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Capital expenditure commitments:		
Property, plant and equipment and concession assets		
- Authorised and contracted for	79,410	59,994
- Authorised but not contracted for	5,440	5,544

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

The transactions incurred for the financial period are as follows:

	3 months ended		3 months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	RM'000	RM'000	RM'000	RM'000
PR - Administrative expenses	2	1	2	1
C10 - Flight ticket and accomodation	407	140	407	140
GH - Office rental	96	117	96	117
PKT - Revenue and rental income	(1,456)	(500)	(1,456)	(500)

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

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		
	31.03.2018	31.03.2017	Changes	31.03.2018	31.03.2017	Changes
	RM'000	RM'000		RM'000	RM'000	
Revenue as reported	385,092	520,930	-26%	385,092	520,930	-26%
Less : Construction revenue (N1)	-	(82,367)	-100%	-	(82,367)	-100%
Operational revenue	385,092	438,563	-12%	385,092	438,563	-12%
Cost of sales as reported	159,397	282,409	-44%	159,397	282,409	-44%
Less : Construction cost (N1)	-	(82,367)	-100%	-	(82,367)	-100%
Operational cost of sales	159,397	200,042	-20%	159,397	200,042	-20%
Gross Profit	225,695	238,521	-5%	225,695	238,521	-5%
Profit before interest and tax	182,763	194,745	-6%	182,763	194,745	-6%
Profit before tax	163,604	179,082	-9%	163,604	179,082	-9%
Profit after tax	123,798	140,889	-12%	123,798	140,889	-12%

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 2018 compared to Quarter Ended 31 March 2017

The Group recorded operational revenue of RM385.1 million in quarter ended 31 March 2018 (“1Q18”), down by 12% compared to corresponding period last year (“1Q17”). It was mainly attributed to adoption of MFRS 15 from 1 January 2018.

The Group recorded profit before tax (“PBT”) of RM163.6 million, a reduction of 9% compared to 1Q17. The reduction in PBT were due to higher depreciation and finance cost for 1Q18 compared to 1Q17.

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

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

	3 months ended		Changes
	31.03.2018	31.12.2017	
	RM'000	RM'000	
Operational revenue	385,092	435,134	-12%
Gross profit	225,695	232,490	-3%
Profit before interest and tax	182,763	163,814	12%
Profit before tax	163,604	145,435	12%
Profit after tax	123,798	210,981	-41%

The Group operational revenue in 1Q18 dropped by 12% compared to the preceding quarter ("4Q17") mainly attributed to adoption of MRS15 from 1 January 2018.

The Group recorded profit before tax ("PBT") of RM163.6 million in 1Q18 representing 12% increase compared to 4Q17 due to non-recurring provision for custom provision for duty and tax and impairment of trade receivable amounting to RM25.5 million. Excluding non-recurring items PBT decline by 4% mainly attributed to higher finance cost and manpower cost.

17. Future Year's Prospects

Westports Container throughput is expected to register modest growth rate of low single-digit percentage in 2018.

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 31.03.2018 RM'000	Financial period-to-date 31.03.2018 RM'000
Current tax	10,128	10,128
Deferred tax	29,678	29,678
	39,806	39,806

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

20. Status of Proposed Expansion

On 25 August 2017 the Company announced to Bursa, that its wholly-owned subsidiary, Westports Malaysia Sdn Bhd ("WMSB"), has received an Approval-in-Principle ("AIP") from the Government of Malaysia ("GOM"), to expand its container terminal facilities from CT10 to CT19 ("Proposed Expansion"). The terms and conditions of the Proposed Expansion are subjected to further deliberations between the GOM and WMSB. With the AIP, the Company will commence and undertake the various studies required before finalising the terms and conditions with the GOM.

The Company wish to update that necessary preliminary actions has been carried out at this juncture towards the Proposed Expansion.

21. Borrowings and Debts Securities

The Group's borrowing position as at 31 March 2018 is as follows:-

	As at 31.03.2018 RM'000	As at 31.12.2017 RM'000
Non-current Sukuk Musharakah Medium Term Note ("SMTN")	<u>1,500,000</u>	<u>1,500,000</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 19 April 2018, 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 2018

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.

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

	3 months ended		3 months ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary shareholders of the Company	123,798	140,889	123,798	140,889
Weighted average number of ordinary shares in issues (million)	3,410	3,410	3,410	3,410
Basic earnings per ordinary share (sen)	3.63	4.13	3.63	4.13

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.

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	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	RM'000	RM'000	RM'000	RM'000
Finance cost	22,718	18,566	22,718	18,566
Amortisation of concession assets	20,248	16,867	20,248	16,867
Depreciation of property, plant and equipment	31,470	26,665	31,470	26,665
Dredging expenditure	-	785	-	785
Net realised foreign exchange (gain)/loss	(1)	53	(1)	53
Provision for retirement benefits	139	131	139	131
Finance income	(3,559)	(2,903)	(3,559)	(2,903)
Impairment loss on trade receivables	94	-	94	-

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.

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:

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

- 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		
At 31 March 2018					
Financial Liabilities					
Other Payables	-	-	44,476	44,476	44,476
Borrowings	-	-	1,418,408	1,418,408	1,500,000
Service concession obligation	-	-	256,856	256,856	329,044
At 31 December 2017					
Financial Liabilities					
Other Payables			44,476	44,476	44,476
Borrowings	-	-	1,484,910	1,484,910	1,500,000
Service concession obligation	-	-	276,868	276,868	337,341

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.