WESTPORTS
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Results Conference Call

2^{nd} Quarter 2024 Financial Results

Throughput Volume

Container m TEU	2Q24	2Q23	% YoY	% Split	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	% Split
Transhipment	1.53	1.58	-3%	56.3%	1.48	4%	3.01	3.09	-3%	55.8%
Gateway / OD	1.19	1.12	7%	43.7%	1.20	0%	2.39	2.15	11%	44.2%
Total TEUs^	**2.73**	**2.70**	**1%**	**100%**	**2.67**	**2%**	**5.40**	**5.24**	**3%**	**100%**
Intra-Asia	1.77	1.75	1%	64.7%	1.83	-3%	3.59	3.37	7%	66.5%
Asia-Europe	0.38	0.41	-6%	13.9%	0.34	13%	0.72	0.80	-11%	13.3%
Asia-America	0.26	0.21	25%	9.6%	0.24	11%	0.50	0.39	28%	9.2%
Asia-Australasia	0.18	0.21	-13%	6.7%	0.17	10%	0.35	0.46	-24%	6.5%
Asia-Africa	0.09	0.09	-1%	3.2%	0.07	18%	0.16	0.16	-1%	3.0%
Others	0.05	0.03	49%	1.9%	0.03	51%	0.08	0.07	25%	1.6%
Conventional m MT	**2.92**	**2.53**	**16%**	**-**	**2.76**	**6%**	**5.68**	**5.42**	**5%**	**-**

- **2Q24** Container gateway +7% was driven by imports FCL of +13%. As the most prominent trade lane, the import volume at the Intra-Asia trade lane increased by +18%
- The higher gateway growth sustained the high gateway-to-transhipment ratio of 44%
- Container transhipment -3% was mainly due to -18% of MTs. The surge in relocation of MTs in 1H23 was absent in 2Q24. Asia-Europe transhipment volume was lower by -6% due to irregular calls, blank sailings and liners' initial adaptation of extended sailing around the Cape of Good Hope
- With normalised MTs movement, overall MTs as a proportion of total TEUs handled eased to 27% in 2Q24 versus 29% in 2Q23
- Subsequent effects of the Red Sea rerouting and regional congestion contributed to Westports' higher container berth occupancy of 83%, up from 79% in 2Q23. The ad-hoc discharge of boxes also contributed to higher container yard occupancy of 91% versus 85% in 2Q23
- Intra-Asia trade lane's lower overall TEUs were due to a lower transhipment volume of -8%, whereas gateway TEUs have shown positive growth
- **YTDJun24** Conventional throughput increased primarily with higher volume at the break bulk (project cargoes, ingots, and coils) and dry bulk (soybean meal and maise) segments

^may not add up due to rounding

Revenue

Throughput	2Q24	2Q23	% YoY	% Split	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	% Split
Container m TEU	2.73	2.70	1%	100%	2.67	2%	5.40	5.24	3%	100%
Conventional m MT	2.92	2.53	16%	-	2.76	6%	5.68	5.42	5%	-

Revenue RM million	2Q24	2Q23	% YoY	% Split	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	% Split
Container	482	452	7%	87.1%	470	3%	952	887	7%	87.0%
Conventional	37	33	11%	6.7%	35	5%	72	67	7%	6.6%
Marine	21	22	-6%	3.7%	22	-6%	43	43	-2%	3.9%
Rental	14	14	1%	2.5%	14	-1%	28	26	5%	2.5%
Op. Revenue^	**553**	**521**	**6%**	**100%**	**541**	**2%**	**1,094**	**1,024**	**7%**	**100%**
Construction	0	22	nm	-	2	nm	2	31	-93%	-
Total Revenue^	553	543	2%	-	543	2%	1,096	1,056	4%	-

- **2Q24** The adjustment to the Red Sea rerouting and regional congestion contributed to fewer container vessel calls by -13%, while bulk/RORO vessels increased. Container ships made up 81% of Westports' total vessel calls. Hence, marine revenue eased
- Despite fewer container vessel calls, Westports benefited from ad-hoc calls as ships discharged more boxes at selected hubs. The higher container yard occupancy contributed to higher VAS revenue in 2Q24 (more storage, reefer and removal revenue). VAS to container revenue increased to 21.6% from 18.4% in 2Q23. As a comparison, the recent peak VAS ratio was 28% (average between 4Q21 and 1Q22)
- The higher VAS improved overall container revenue per TEU by +5% to RM176.7, even though the total container volume increased only by 1% to 2.73 million TEUs
- **YTDJun24** Conventional revenue reflected higher volume handled especially by the break bulk segment, i.e. steel products, project cargoes, aluminium ingot, steel coils, natural rubber and heavy lift cargoes
- Rental changes incorporated a new sublease and incrementally revised rental rates for some landed clients

^may not add up due to rounding

Cost Of Sales

Throughput	2Q24	2Q23	% YoY	% Split	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	% Split
Container m TEU	2.73	2.70	1%	100%	2.67	2%	5.40	5.24	3%	100%
Conventional m MT	2.92	2.53	16%	-	2.76	6%	5.68	5.42	5%	-

Cost RM million	2Q24	2Q23	% YoY	% Split	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	% Split
Op. Workforce	72	72	0%	33.3%	73	-2%	145	144	1%	33.5%
Depreciation	51	51	1%	23.6%	51	0%	102	101	0%	23.5%
Fuel	41	36	12%	18.8%	40	1%	81	75	8%	18.7%
M&R	22	23	-2%	10.4%	23	-3%	46	45	2%	10.5%
Electricity	15	16	-2%	7.1%	14	11%	29	30	-3%	6.8%
Others	15	12	23%	6.8%	16	-6%	30	24	25%	7.0%
Op. Cost^	**216**	**210**	**3%**	**100%**	**217**	**0%**	**433**	**419**	**3%**	**100%**
Construction	0	22	nm	-	2	nm	2	31	-93%	-
Total Cost Of Sales^	216	231	-6%	-	219	-1%	435	450	-3%	-

- **2Q24** Fuel consumption, about ¾ is by RTG cranes and terminal trucks, increased by +1% and was in tandem with the container throughput of +1%. However, fuel costs disproportionately grew by +12% due to higher MOPS prices and a weaker Ringgit to the US Dollar, resulting in higher RM/litre fuel costs by approximately 10%
- **YTDJun24** The Others' costs increased by +25% as it reflected higher marine and conventional expenses. Westports increased the hiring of 8 permanent units and 1 unit of pay-per-use tug boats from 7+1 previously to facilitate faster vessel berthing and unberthing to minimise waiting times
- Electricity costs have notably eased with the downward revision in Imbalance Cost Pass Through (ICPT) charges by Tenaga Nasional Berhad from RM0.20 to RM0.17 per kWh since Jul23
- Operational workforce costs increased by +1% despite annual salary increments as operational headcount eased by -2%

^may not add up due to rounding

Profitability & Margins

Profitability RM million	2Q24	2Q23	% YoY	1Q24	% QoQ	YTDJun24	YTDJun23	% YoY	2Q24 Quarterly % YoY	
Gross Profit	337	312	8%	324	4%	661	606	9%	Other Income	-77%
									Administrative Exp	-21%
EBITDA	342	324	6%	336	2%	678	633	7%	Other Expenses	+12%
EBITDA %	61.9%	62.2%		62.0%		62.0%	61.8%			
Results From Op. Act.	275	260	6%	270	2%	545	506	8%		
Profit Before Tax	**266**	**254**	**5%**	**265**	**0%**	**531**	**491**	**8%**	Finance Income	+33%
									Finance Costs	+2%
PBT %	48.1%	48.7%		49.1%		48.6%	47.9%		Share JV Results	-84%
Tax	-62	-59	5%	-61	2%	-123	-112	9%		
Tax %	-23.4%	-23.3%		-23.0%		-23.2%	-22.9%			
Profit After Tax^	**204**	**195**	**5%**	**205**	**0%**	**408**	**378**	**8%**		

2Q24
- Other Income eased with lesser GT shortfall as conventional throughput increased
- Administrative Expenses moderated compared to 2Q23, as the latter included legal and advisory fees pertaining to additional tax assessment notices from the Inland Revenue Board (IRB), the legal matter has since been resolved

YTDJun24
- Other Expenses +5% include the amortisation of Right-of-Use for a new tug boat
- Finance Income increased with a higher average cash balance arising from tax refund from the IRB
- Finance Costs moderated by -4% as Westports made a total Sukuk Musharakah redemption of RM100m by Apr24
- The Share of Results of a Joint Venture is 50% in Port Klang Cruise Terminal, which uses equity method accounting. The lower contribution reflected provision for tax, higher professional fees and workforce costs
- The effective tax rate of 23.2% is only marginally lower than the corporate tax rate of 24% because the previous period benefited from the Investment Tax Allowance (ITA) for two autonomous electric terminal trucks. The Company's 10-year ITA is valid till the 31st December 2031

^may not add up due to rounding

Cash Flows & Total Borrowings

Cash Flows RM million	2Q24	2Q23	YTD Jun24	YTD Jun23
Op. Profit Before Working Capital	344	325	683	636
Cash Generated From Operations	348	267	693	556
Net Cash From Op. Activities	**305**	**200**	**644**	**409**
Net Cash Used In Investing Activities	-47	-29	-420	-99
Net Cash Used In Financing	96	-74	-103	-427
Net Chg Cash & Cash Equivalents	**354**	**98**	**121**	**-117**
Cash & Cash Eq. Starting Period	302	295	535	511
Cash & Cash Eq. End Of Period^	656	393	656	393

Sukuk Musharakah Medium Term Note Programme	▪ 20 year Sukuk Musharakah Medium Term Note program obtained on 20 April 2011 ▪ Valid unless it has been redeemed, cancelled or repurchased by WMSB
Nominal **Value**	▪ RM2,000m available for issuance
Drawdown Total RM1,500 million	▪ 03 May 2011 of RM450m ▪ 01 Apr 2013 of RM250m ▪ 23 Oct 2013 of RM200m ▪ 03 Apr 2014 of RM250m ▪ 07 Aug 2017 of RM200m ▪ 13 Dec 2017 of RM150m
Utilisation Of Proceeds	▪ Refinance previous Sukuk programme ▪ Capital expenditure & assets acquisition ▪ Working capital
Repayment Schedule	▪ RM450m – 6T, 2021-2026 repaid RM200m ▪ RM250m – 4T, 2025-2028 ▪ RM200m – 5T, 2024-2028 ▪ RM250m – 4T, 2021-2024 repaid RM250m ▪ RM200m – 2T, 2019-2020 repaid RM200m ▪ RM150m – 3T, 2021-2027 repaid RM100m

Sukuk Wakalah Medium Term Note Programme	▪ Perpetual tenure ▪ Lodgement date on 7 March 2024 and announcement made on 18 April 2024 ▪ Flexibility to issue sustainability and sustainability-linked Sukuk Wakalah
Nominal **Value**	▪ RM5,000m, based on Shariah Principle of Wakalah Bi Al-Istithmar
Drawdown Total RM355 million	▪ The tenure of each Sukuk Wakalah shall be more than one (1) year ▪ 15 May 2024 of RM355m
Utilisation Of Proceeds	▪ To finance capital expenditure, assets acquisition, general corporate purposes and general working capital requirements ▪ To refinance Shariah-compliant financing ▪ To provide Shariah-compliant intercompany financings and/or advances ▪ To fund Finance Service Reserve Account
Repayment Schedule	▪ RM355m – 1T, 2039

- YTDJun24 **CapEx** of RM427m consisted mainly of the final payment for Marina Land, completion of LBT4A and commencement to build the 132kV substation to support WP2
- **Cash and equivalent deposits** of RM707m as of Jun24, before excluding pledged deposits with licensed banks of RM51m. In 2Q24, there was a tax refund from the Inland Revenue Board of RM116m for overpaid tax in 2023

^may not add up due to rounding

- All borrowings are in Ringgit Malaysia. YTDJun24 **Sukuk Musharakah** total repayment amounted to RM100m. The outstanding borrowings are now at RM750m. Remaining repayment in 3Q24 is RM25m. Westports will maintain Sukuk Musharakah Programme until the full redemption in 2028
- **Short-term borrowing** of RM175m as of Mar24 has been repaid as of Jun24
- The first drawdown of the RM5.0bn **Sukuk Wakalah Programme** was RM355m in May24 to refinance Marina Land's acquisition
- RAM has assigned an **AAA/Stable rating** to WMSB's RM5.0bn Sukuk Wakalah Programme and affirmed the same rating of its existing RM2.0bn Sukuk Musharakah Programme
- With total borrowings of RM1,105m under WMSB, **net gearing and gross debt-to-equity ratios** were 0.11x and 0.30x, respectively

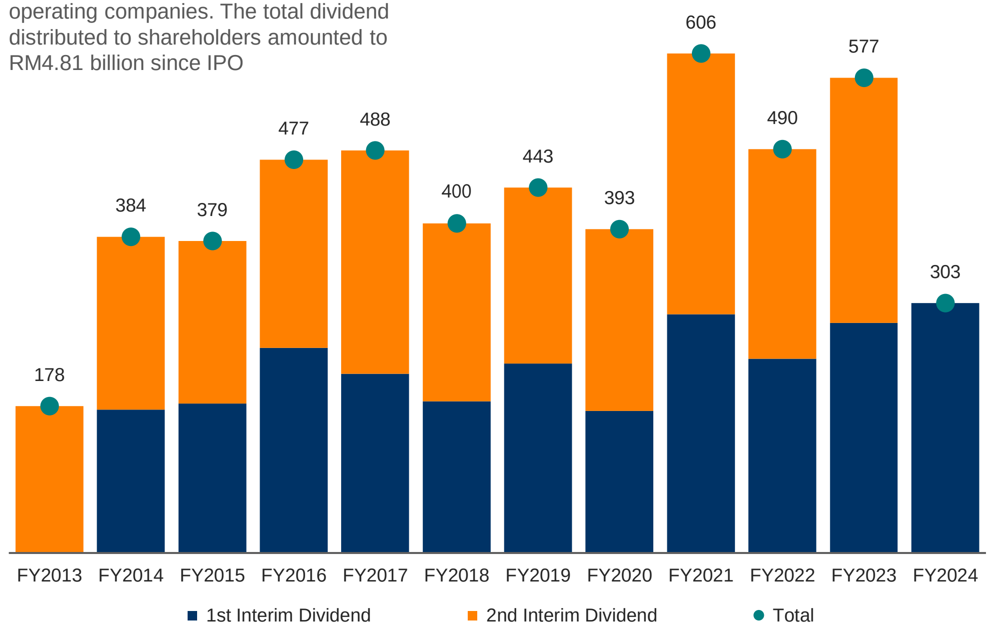
Dividend & Outlook

Dividend Distribution Track Record	Dividend Per Share (RM)	Financial Year	Ex-Date	Payment Date
1st Interim Dividend	**8.89 sen**	**1H 2024**	**12 Aug 2024**	**21 Aug 2024**
2nd Interim Dividend	8.72 sen	2H 2023	20 Feb 2024	29 Feb 2024
1st Interim Dividend	8.19 sen	1H 2023	11 Aug 2023	22 Aug 2023
2nd Interim Dividend	7.46 sen	2H 2022	09 Feb 2023	20 Feb 2023
1st Interim Dividend	6.91 sen	1H 2022	12 Aug 2022	23 Aug 2022
2nd Interim Dividend	9.28 sen	2H 2021	15 Feb 2022	24 Feb 2022
1st Interim Dividend	8.50 sen	1H 2021	17 Aug 2021	26 Aug 2021
Total Dividend	11.52 sen	FY 2020		
Total Dividend	13.00 sen	FY 2019		
Total Dividend	11.73 sen	FY 2018		
Total Dividend	14.322 sen	FY 2017		
Total Dividend	14.00 sen	FY 2016		
Total Dividend	11.10 sen	FY 2015		
Total Dividend	11.25 sen	FY 2014		
Total Dividend	#5.22 sen	FY 2013		

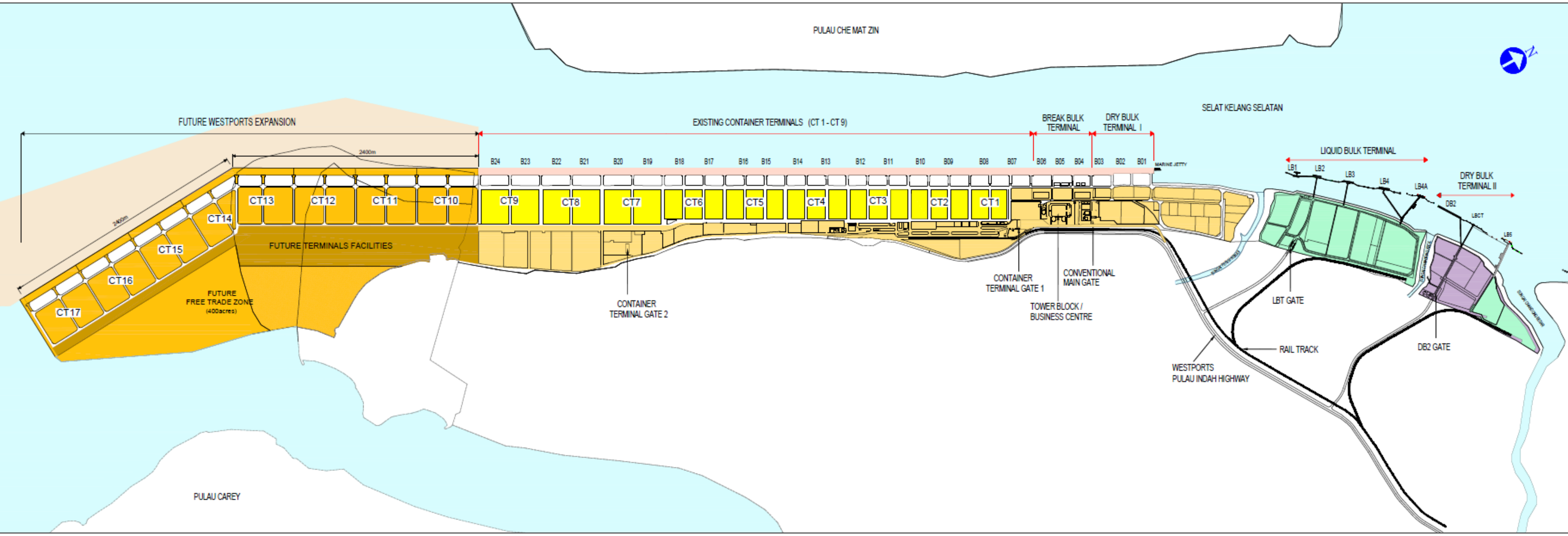
IPO in Oct 2013. Only one dividend payment

Semi-Annual Dividend Distribution To Shareholders Since IPO (RM million)

WHB paid all dividends it received from operating companies. The total dividend distributed to shareholders amounted to RM4.81 billion since IPO



- **Dividend payout**
  - Westports Malaysia is paying 75% of its PAT, and WHB is just redistributing all dividends it received
  - FY2024 1st interim dividend of 8.89 sen amounted to RM303m
- **WP2 container terminal expansion**
  - Equity fundraising to part-finance WP2 is between 12 and 24 months after dredging and reclamation works commence
  - From 1st September 2024, depreciation and amortisation will be over the extended concession period, rental income from land and building recognised on a straight-line basis over the lease term, and revised payments to Port Klang Authority (fixed lease and variable lease)
- The risk of continued tensions in the Middle East remained while developed economies anticipated interest rate cuts to support growth. Nonetheless, broad-based inflationary pressures could dampen consumer spending while trade tariffs increase. The Company is still forecasting a low single-digit **container volume growth** rate in 2024
- **Dredging and land reclamation** work should commence by 4Q24
- Westports made a commitment to Scope 1 operational **net-zero carbon emissions**. The common decarbonisation solution suggests electrification, but our autonomous EV trials yielded unfavourable CO_2e emissions, partly due to national power grid's limitations. The shorter trucks' lifespan would allow deferment of electrification until technology improves further or/and when the grid becomes cleaner



Thank You

Westports Holdings Berhad
http://www.westportsholdings.com/

Available for download from the corporate website

- Sustainability Report 2023
- Annual Report 2023
- Westports Climate Change Assessment Report
- Carbon Stock And Sequestration Valuation Of Flora In Westports
- Corporate Impact Report

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