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Westports Holdings Berhad

(Company No. 199301008024 (262761-A))

(Incorporated in Malaysia)

Quarterly Financial Report for the

Six Months Ended 30 June 2024

Westports Holdings Berhad
(199301008024 (262761-A))
(Incorporated in Malaysia)

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Westports Holdings Berhad
(199301008024 (262761-A))
(Incorporated in Malaysia)

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

For The Period Ended 30 June 2024

These figures have not been audited

	3 months ended			6 months ended		
	30.06.2024	30.06.2023	Changes	30.06.2024	30.06.2023	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	552,987	542,639	2%	1,096,140	1,055,554	4%
Cost of sales	(216,300)	(231,071)	-6%	(435,379)	(450,022)	-3%
Gross profit	336,687	311,568	8%	660,761	605,532	9%
Other income	1,986	8,610	-77%	3,684	14,600	-75%
Administrative expenses	(8,093)	(10,207)	-21%	(15,156)	(15,359)	-1%
Other expenses	(55,846)	(49,705)	12%	(104,278)	(99,243)	5%
Results from operating activities	274,734	260,266	6%	545,011	505,530	8%
Finance income	3,049	2,299	33%	6,850	5,059	35%
Finance costs	(12,446)	(12,189)	2%	(24,751)	(25,821)	-4%
Share of results of a joint venture	547	3,489	-84%	4,205	5,978	-30%
Profit before tax	265,884	253,865	5%	531,315	490,746	8%
Tax expense	(62,135)	(59,101)	5%	(123,059)	(112,396)	9%
Total comprehensive income for the period attributable to owners of the Company	203,749	194,764	5%	408,256	378,350	8%
Basic earnings per ordinary share (sen)	5.98	5.71	5%	11.97	11.10	8%

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 2023 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

Westports Holdings Berhad
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Condensed Consolidated Statement of Financial Position

As At 30 June 2024

	Unaudited As at 30.06.2024	Audited As at 31.12.2023
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	1,693,296	1,738,979
Concession assets	2,834,169	2,477,758
Right-of-use assets	96,765	66,959
Investment in a joint venture	175,417	171,212
Total non-current assets	<u>4,799,647</u>	<u>4,454,908</u>
Current assets		
Inventories	5,469	5,349
Tax recoverable	-	20,384
Trade and other receivables	309,022	280,739
Cash and short term investments	707,299	577,858
Total current assets	<u>1,021,790</u>	<u>884,330</u>
Total assets	<u><u>5,821,437</u></u>	<u><u>5,339,238</u></u>
Equity		
Share capital	1,038,000	1,038,000
Reserves	2,593,025	2,482,121
Total equity	<u>3,631,025</u>	<u>3,520,121</u>
Non-current liabilities		
Borrowings	955,000	725,000
Employee benefits	8,555	8,503
Deferred tax liabilities	429,689	428,323
Lease liabilities	66,177	41,179
Total non-current liabilities	<u>1,459,421</u>	<u>1,203,005</u>
Current liabilities		
Trade and other payables	185,081	158,950
Provisions	262,305	244,451
Tax payable	72,214	-
Borrowings	150,000	125,000
Service concession obligation	30,761	60,989
Lease liabilities	30,630	26,722
Total current liabilities	<u>730,991</u>	<u>616,112</u>
Total liabilities	<u>2,190,412</u>	<u>1,819,117</u>
Total equity and liabilities	<u><u>5,821,437</u></u>	<u><u>5,339,238</u></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 2023 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

Westports Holdings Berhad
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Condensed Consolidated Statement of Changes in Equity

For The Period Ended 30 June 2024

These figures have not been audited

	Attributable to the owners of the Company			Total RM'000
	Non-distributable	Distributable	Goodwill	
	Share Capital RM'000	Written off Reserve RM'000		
At 1 January 2023	1,038,000	(47,732)	2,284,086	3,274,354
Profit for the year	-	-	378,350	378,350
Total comprehensive income for the period	-	-	378,350	378,350
<i>Distributions to owners of the Company</i>				
- Dividends	-	-	(254,386)	(254,386)
Total transactions with owners of the Company	-	-	(254,386)	(254,386)
At 30 June 2023	<u>1,038,000</u>	<u>(47,732)</u>	<u>2,408,050</u>	<u>3,398,318</u>
At 1 January 2024	1,038,000	(47,732)	2,529,853	3,520,121
Profit for the year	-	-	408,256	408,256
Total comprehensive income for the period	-	-	408,256	408,256
<i>Distributions to owners of the Company</i>				
- Dividends	-	-	(297,352)	(297,352)
Total transactions with owners of the Company	-	-	(297,352)	(297,352)
At 30 June 2024	<u>1,038,000</u>	<u>(47,732)</u>	<u>2,640,757</u>	<u>3,631,025</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 2023 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

Westports Holdings Berhad
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Condensed Consolidated Statement of Cash Flows

For The Period Ended 30 June 2024

These figures have not been audited

	6 months ended	
	30.06.2024 RM'000	30.06.2023 RM'000
Cash flows from operating activities		
Profit before tax	531,315	490,746
Adjustments for :		
Share of results of a joint venture	(4,205)	(5,978)
Amortisation of concession assets	45,722	42,898
Depreciation of right-of-use assets	16,758	13,427
Depreciation of property, plant and equipment	70,404	71,526
Dredging expenditure	4,519	2,941
Finance costs - accretion of service concession obligation	1,868	3,043
Finance costs - lease liabilities	2,092	1,457
Finance costs - borrowings and others	20,791	21,321
Finance income	(5,778)	(3,515)
Income from money market funds	(1,072)	(1,544)
Provision for retirement benefits	202	216
Gain on disposal of property, plant and equipment	-	(722)
Property, plant and equipment written off	-	31
Impairment loss on trade receivables	-	21
Reversal of impairment loss on trade receivables	(75)	(122)
	682,541	635,746
Operating profit before working capital changes		
Changes in working capital:		
Trade and other receivables, excluding payment for dredging expenses	(32,727)	(51,369)
Payment for dredging expenses	-	(5,494)
Trade and other payables	25,376	(10,930)
Inventories	(120)	(281)
Provisions	17,854	(11,774)
	692,924	555,898
Cash generated from operations		
Income tax paid	(29,095)	(123,189)
Interest paid	(20,036)	(23,950)
Retirement benefits paid	(150)	(255)
	643,643	408,504
Net cash generated from operating activities		
Cash flows from investing activities		
Interest received	5,778	3,515
Income from money market funds	1,072	1,544
Purchase of property, plant and equipment	(24,720)	(54,268)
Construction of concession assets	(402,134)	(50,952)
Proceeds from disposal of property, plant and equipment	-	731
	(420,004)	(99,430)
Net cash used in investing activities		

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Condensed Consolidated Statement of Cash Flows (Continued)

For The Period Ended 30 June 2024

These figures have not been audited

	6 months ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Cash flows from financing activities		
Fixed deposits pledged for borrowings	(8,389)	(558)
Proceeds from borrowings - SWMTN	355,000	-
Redemption of borrowings - SMMTN	(100,000)	(125,000)
Proceeds from revolving credit facility	175,000	-
Repayment of revolving credit facility	(175,000)	-
Dividends paid to shareholders	(297,352)	(254,386)
Repayment of lease liabilities		
- Principal	(17,658)	(14,615)
- Interest	(2,092)	(1,457)
Annual lease paid for use of port infrastructures and facilities	(32,096)	(30,515)
Net cash used in financing activities	<u>(102,587)</u>	<u>(426,531)</u>
Net increase/(decrease) in cash and cash equivalents	121,052	(117,457)
Cash and cash equivalents at 1 January	535,217	510,572
Cash and cash equivalents at 30 June	<u>656,269</u>	<u>393,115</u>

(a) Cash and cash equivalents included in the statements of cash flows comprise the following amounts:

Cash and bank balances	290,513	309,489
Money market funds	351,591	69,555
Fixed deposits with licensed banks	65,195	56,114
	<u>707,299</u>	<u>435,158</u>
Less : Pledged deposits	(51,030)	(42,043)
	<u>656,269</u>	<u>393,115</u>

(b) Reconciliation of liabilities arising from financing activities

The table below details the reconciliation of the movement of liabilities in the statements of cash flows:

	Net changes from financing cash flows				
	01.01.2024	Additions	from financing cash flows	Accreditation of interest	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
SMMTN	850,000	-	(100,000)	-	750,000
SWMTN	-	355,000	-	-	355,000
Lease liabilities	67,901	46,564	(19,750)	2,092	96,807
Service concession obligation	60,989	-	(32,096)	1,868	30,761
Total liabilities from financing	<u>978,890</u>	<u>401,564</u>	<u>(151,846)</u>	<u>3,960</u>	<u>1,232,568</u>

	Net changes from financing cash flows				
	01.01.2023	Additions	from financing cash flows	Accreditation of interest	30.06.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
SMMTN	975,000	-	(125,000)	-	850,000
SWMTN	-	-	-	-	-
Lease liabilities	65,324	-	(16,072)	1,457	50,709
Service concession obligation	115,932	-	(30,515)	3,043	88,460
Total liabilities from financing	<u>1,156,256</u>	<u>-</u>	<u>(171,587)</u>	<u>4,500</u>	<u>989,169</u>

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**Notes to Condensed Consolidated Financial Statements
for the Six Months Ended 30 June 2024**

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“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”) and the requirements of the Companies Act 2016 in Malaysia. These condensed consolidated interim financial statements also comply 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 2023.

2. Material Accounting Policies

The material 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 2023 except for the adoption of the following Amendments to MFRSs during the current financial period:

- *Amendments to MFRS 16 Lease Liability in a Sale and Leaseback*
- *Amendments to MFRS 101 Classification of Liabilities as Current or Non-current*
- *Amendments to MFRS 101 Non-current Liabilities with Covenants*
- *Amendments to MFRS 112 International Tax Reform- Pillar Two Model Rules*
- *Amendments to MFRS 7 and MFRS 107 Supplier Finance Arrangements*

The adoption of these Amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on these condensed consolidated financial statements.

As at the date of authorisation of these condensed consolidated interim financial statements, the following amendments to MFRSs which were in issue but not yet effective and have not been early adopted by the Group:

Amendments to MFRSs		Effective for annual periods beginning on or after
Amendments to MFRS 121	<i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between on Investor and Its Associate or Joint Venture</i>	Deferred

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

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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 2023.

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

Fire Incident at Container Yard

A fire broke out at container yard of its wholly owned subsidiary, Westports Malaysia Sdn Bhd ("WMSB") on 8 June 2024. The Fire and Rescue Team of the WMSB Port Police responded immediately upon receiving information, and with further assistance from the Jabatan Bomba dan Penyelamat Malaysia ("Fire and Rescue Department of Malaysia"), the fire was brought under control.

Save as disclosed above, there were no injuries or damage to the port equipment. Terminal operations were unaffected during the entire duration of the incident as the fire was confined to a specific area.

As such, there is no material financial impact from the incident as the Group is adequately covered by insurance.

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

On 15 May 2024, the Group has issued its first issuance under the newly established RM5 billion Sukuk Wakalah Medium Term Note ("SWMTN") programme. The issuance amounted to RM355 million with a tenure of 15 years.

Further to that, the Group redeemed RM100 million under the RM2 billion Sukuk Musharakah Medium Term Note ("SMMTN") programme for the financial period to date.

Both SWMTN and SMMTN are unsecured Islamic Medium Term Notes ("IMTN").

Save as above, there were no other issuance and repurchase of debts and equity securities by the Group for the financial period to date.

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8. Dividend Paid

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

	RM'000
Second interim dividend of 8.72 sen per ordinary share in respect of financial year ended 31 December 2023 on 29 February 2024	<u>297,352</u>

9. Events Subsequent to the End of the Financial Period

There were no other material events subsequent to the 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 segmental reporting purposes, 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 presented regularly to the Board of Directors and hence, no disclosure is made on segment assets.

Segment liabilities

Segment liabilities information is presented regularly to the Board of Directors and hence, no disclosure is made on segment liabilities.

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10. Segmental Information (continued)

	Port development and management of port operations			
	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Profit				
Reportable segment profit	275,655	260,882	546,519	506,800
<i>Included in the measure of segment profit are :</i>				
Revenue - External customer	552,987	520,867	1,093,976	1,024,115
- Construction services	-	21,772	2,164	31,439
Share of results of a joint venture	547	3,489	4,205	5,978
Amortisation of concession assets	(23,760)	(21,441)	(45,722)	(42,898)
Depreciation of right-of-use assets	(8,617)	(6,724)	(16,758)	(13,427)
Depreciation of property, plant and equipment	(35,130)	(35,609)	(70,404)	(71,526)
Property, plant and equipment written off	-	-	-	(31)
Gain on disposal of property, plant and equipment	-	-	-	722
Impairment loss of trade receivables	-	(21)	-	(21)
Reversal of Impairment loss of trade receivables	25	13	75	122
Reconciliation of reportable segment profit and revenue				
Profit				
Reportable segment	275,655	260,882	546,519	506,800
Non-reportable segment	(921)	(616)	(1,508)	(1,270)
Share of results of a joint venture	547	3,489	4,205	5,978
Finance income	3,049	2,299	6,850	5,059
Finance costs	(12,446)	(12,189)	(24,751)	(25,821)
Consolidated profit before tax	<u>265,884</u>	<u>253,865</u>	<u>531,315</u>	<u>490,746</u>
Revenue				
Reportable segment	552,987	542,639	1,096,140	1,055,554
Non-reportable segment	-	-	-	-
Consolidated revenue	<u>552,987</u>	<u>542,639</u>	<u>1,096,140</u>	<u>1,055,554</u>

11. Changes in Composition of the Group

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

12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at 20 July 2024, the latest practicable date which shall not be earlier than 7 days from the date of issuance of this quarter report.

13. Capital Commitments

The commitments for capital expenditure not provided for in the condensed consolidated interim financial statements as at 30 June 2024 is as follows:

	As at	As at
	30.06.2024	31.12.2023
	RM'000	RM'000
Capital expenditure commitments:		
Property, plant and equipment and concession assets		
- Authorised and contracted for	<u>1,564,722</u>	<u>512,554</u>

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14. Related Party Transactionsv

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:

Name of Company	Relationship
Pembinaan Redzai Sdn Bhd (“PR”)	Corporate shareholder
Cloud Ten Executive Travel & Tours Sdn Bhd (“C10”)	Company in which Directors have significant financial interest
Westports Foundation (“WF”)	Company in which Directors have significant financial interest
PKT Logistics (M) Sdn Bhd (“PKT”)	Company in which Directors have significant financial interest
Harbour 360 Sdn Bhd (“HB”)	Company in which Directors have significant financial interest

The transactions incurred during the financial period are as follows:

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
PR – Office rental and administrative expenses	11	14	21	28
C10 – Flight tickets and accommodation	735	605	1,558	978
WF – Financial support to community	165	350	299	465
PKT – Port charges and storage income	328	288	759	1,780
HB – Hiring of tugboat	489	-	1,137	-

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15. Review of Performance

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

	3 months ended			6 months ended		
	30.06.2024 RM'000	30.06.2023 RM'000	Changes	30.06.2024 RM'000	30.06.2023 RM'000	Changes
Revenue as reported	552,987	542,639	2%	1,096,140	1,055,554	4%
Less : Construction revenue (N1)	-	(21,772)	-100%	(2,164)	(31,439)	-93%
Operational revenue	552,987	520,867	6%	1,093,976	1,024,115	7%
Cost of sales as reported	216,300	231,071	-6%	435,379	450,022	-3%
Less : Construction cost (N1)	-	(21,555)	-100%	(2,142)	(31,127)	-93%
Operational cost of sales	216,300	209,516	3%	433,237	418,895	3%
Gross profit	336,687	311,568	8%	660,761	605,532	9%
Profit before interest and tax	274,734	260,266	6%	545,011	505,530	8%
Profit before tax	265,884	253,865	5%	531,315	490,746	8%
Profit after tax	203,749	194,764	5%	408,256	378,350	8%

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

Quarter Ended 30 June 2024 compared to Quarter Ended 30 June 2023

In the second quarter ended 30 June 2024 (“2Q2024”), the Group recorded operational revenue of RM553 million, a growth of 6% compared to the corresponding quarter of the previous year (“2Q2023”). This was mainly attributed to the increase in container revenue.

Profit before tax (“PBT”) for the Group improved by 5% in 2Q2024 to RM266 million compared to 2Q2023, primarily driven by reduction in operating expenses.

Correspondingly, the Group’s profit after tax (“PAT”) increased by 5% to RM204 million quarter-over-quarter due to the reasons above.

Six Months Ended 30 June 2024 compared to Six Months Ended 30 June 2023

The Group generated operational revenue of RM1.09 billion for the first half of the year ended 30 June 2024 (“1H2024”), 7% higher than the same period last year (“1H2023”).

In line with higher container volume, PBT and PAT for the Group in 1H2024 reported an increase of 8% to RM531 million and RM408 million respectively in comparison to 1H2023.

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

The summary of the operational results is as follows:

	3 months ended		Change
	30.06.2024 RM'000	31.03.2024 RM'000	
Operational revenue	552,987	540,989	2%
Gross profit	336,687	324,074	4%
Profit before interest and tax	274,734	270,277	2%
Profit before tax	265,884	265,431	0%
Profit after tax	203,749	204,507	0%

PBT of the Group for 2Q2024 remained at approximately RM266 million in comparison to the previous quarter ended 31 March 2024 ("1Q2024"). PAT of the Group was RM204 million, almost the same as 1Q2024.

17. Prospects for 2024

The most significant exposure of the Group is container volume within Intra-Asia. With the continuing tension in the Middle East, the global supply chain has been affected and this cumulatively builds up towards congestion in regional container ports. The impeded container terminal operational efficiency could emerge as a factor that influences the overall volume throughput. As such, for the current financial year, the Group maintains its cautious expectation of a low single-digit growth rate over the previous year.

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 is as follows:

	Current quarter 30.06.2024 RM'000	Financial period-to-date 30.06.2024 RM'000
	Current tax	57,335
Deferred tax	4,800	1,367
	62,135	123,059

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20. Status of Proposed Expansion

The Company had on 8 December 2023 announced to Bursa that WMSB has entered into a Third Supplemental Privatisation Agreement (“Third SA”) with the Government of Malaysia and Port Klang Authority (“PKA”) for the Proposed Expansion of Container Terminals (“CT”) 10 to 17 (“Proposed Expansion”).

The concession period has been extended to 31 August 2070 covering CT10 to CT13. The Group will fund the development capital expenditure with a combination of internally generated funds and borrowings. WMSB has established the RM5 billion SWMTN to finance the Proposed Expansion.

Upon WMSB completing the acquisition of the third parcel of underwater land from the Selangor State Government and transferred the land to Port Klang Authority (“PKA”) by 31 August 2045 for the development of CT14 to CT17, the concession period will be extended from 1 September 2070 to 31 August 2082.

On 20 June 2024, WMSB has awarded a contract for the “Proposed Construction And Completion Of Dredging And Land Reclamation Works For CT10 To CT13 (Phase 1) And Other Associated Works At Westports, Pulau Indah, Port Klang, Selangor Darul Ehsan” to accommodate the development. Works are set to begin in the second half of the year and will take approximately four years to complete. The first terminal, CT10 is expected to be ready by year 2028.

21. Borrowings and Debt Securities

The Group’s borrowings’ position as at 30 June 2024 is as follows:

	As at 30.06.2024 RM’000	As at 31.12.2023 RM’000
Non-current		
- SMMTN	600,000	725,000
- SWMTN	355,000	-
	<u>955,000</u>	<u>725,000</u>
Current		
- SMMTN	150,000	125,000
Total borrowings	<u><u>1,105,000</u></u>	<u><u>850,000</u></u>

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

On 5 December 2023, RAM Rating Services Berhad (“RAM”) has reaffirmed the AAA/Stable rating for the SMMTN.

The Company had on 19 April 2024 announced to Bursa that WMSB established SWMTN of RM5 billion in nominal value based on Shariah Principle of Wakalah Bi Al-Istithmar.

The SWMTN have a perpetual tenure. The programme will also give the issuer the flexibility to issue sustainability SWMTN and sustainability-linked SWMTN in the future, which will be in compliance with, any one or more of the relevant guidelines, frameworks, standards or principles, as amended and/or substituted from time to time.

On 5 February 2024, RAM has assigned a final rating of AAA for the SWMTN.

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22. Changes in Material Litigation

There was no material litigation as at 20 July 2024, the latest practicable date which shall not be earlier than 7 days from the date of issuance of this quarter report.

23. Dividends

The Board of Directors has approved the first interim dividend of 8.89 sen per share in respect of the financial year ending 31 December 2024 amounting to RM303,149,000 to be paid on 21 August 2024. The entitlement date for the dividend payment is on 12 August 2024.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (i) shares transferred to the depositor's securities account before 4.30 pm on 12 August 2024 in respect of transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

For the corresponding period of the preceding year, a first interim dividend of 8.19 sen per share was paid on 22 August 2023 amounting to RM279,279,000.

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.

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary shareholders of the Company	203,749	194,764	408,256	378,350
Weighted average number of ordinary shares in issue (million)	3,410	3,410	3,410	3,410
Basic earnings per ordinary share (sen)	5.98	5.71	11.97	11.10

Diluted earnings per share

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

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25. Profit Before Tax

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

	3 months ended		6 months ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Finance costs	12,446	12,189	24,751	25,821
Finance income	(3,049)	(2,299)	(6,850)	(5,059)
Share of results of a joint venture	(547)	(3,489)	(4,205)	(5,978)
Amortisation of concession assets	23,760	21,441	45,722	42,898
Depreciation of right-of-use assets	8,617	6,724	16,758	13,427
Depreciation of property, plant and equipment	35,130	35,609	70,404	71,526
Property, plant and equipment written off	-	-	-	31
Gain on disposal of property, plant and equipment	-	-	-	(722)
Dredging expenditure	2,113	1,136	4,519	2,941
Net realised foreign exchange loss / (gain)	100	(119)	200	(71)
Provision for retirement benefits	101	108	202	216
Impairment loss on trade receivables	-	21	-	21
Reversal of impairment loss on trade receivables	(25)	(13)	(75)	(122)

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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 is 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			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
At 30 June 2024					
Financial Liabilities					
Borrowings	-	-	1,390,222	1,390,222	1,105,000
Lease liabilities	-	-	96,807	96,807	96,807
Service concession obligation	-	-	30,761	30,761	30,761
At 31 December 2023					
Financial Liabilities					
Borrowings	-	-	954,604	954,604	850,000
Lease liabilities	-	-	67,901	67,901	67,901
Service concession obligation	-	-	60,989	60,989	60,989

The fair value of the borrowings, lease liabilities 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 quarter financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors.