



MEDIA RELEASE

24 July 2020

FINANCIAL RESULTS ANNOUNCEMENT

WESTPORTS HANDLED CONTAINER VOLUME OF 4.8 MILLION TWENTY-FOOT EQUIVALENT UNITS (“TEUS”) IN 6-MONTH OF 2020

Key Highlights:

- Westports handled container throughput of 4.80 million TEUs during the first 6-month of 2020 as the coronavirus disease (“COVID-19”) pandemic disrupted economic activities across the world.
- The terminal handled 3.04 million transshipment containers while gateway’s initial growth momentum at the beginning of the year cushioned the subdued volume during the Movement Control Order (“MCO”) period to enable gateway containers to register a 2% growth to 1.76 million TEUs.
- Westports invested RM135 million in capital expenditure during the first 6-month of 2020 to enhance its container and conventional operations that would further support the long-term growth of the Company and also Port Klang.
- At the bottom line, after the tax provision of RM89 million or an effective tax rate of 24%, Westports reported a Profit After Tax of RM287 million.
- Westports will temporarily adopt a payout ratio of 60% to conserve cash as it expects the land reclamation for the multi-billion Container Terminal expansion to commence in 2021. The first interim ordinary dividend for the current financial year is 5.05 sen per share, amounting to RM172.2 million, and is to be paid on 21 August 2020.
- Westports also set a new record for container terminal productivity, during the month of Ramadhan, when it has successfully achieved impressive vessel productivity of 294 Vessel Gross Moves Per Hour (VGMPH) in 32 hours of operations by handling 9,440 moves.
- Westports has contributed a total of RM2.7 million for COVID-19 related assistance to hospitals and the surrounding community. The Company has also added a 30% special incentive payout during the MCO to the blue-collar staff.



Kuala Lumpur, 24 July 2020

Westports Holdings Berhad (“Westports” or the “Company”) has announced its financial results for the 2nd Quarter of 2020 and the 6-month ended on 30 June 2020. At the top-line, the Company’s total revenue improved to RM905 million for the first half of the year and some of the increase was attributable to construction activities arising from development work on a new jetty and CT9 Container Yard Zone Z. At the bottom line, after tax provision of RM89 million or an effective tax rate of 24%, Westports reported a Profit After Tax of RM287 million.

Datuk Ruben Emir Gnanalingam, Group Managing Director of Westports, remarked that “Westports container volume’s modest decline for the 6-month of 2020 was due to the initial growth momentum achieved in the 1st Quarter of this year. In the previous quarter, we cautioned that the 2nd Quarter of 2020 would experience the most adverse impact of the COVID-19 pandemic given the various lockdown arrangements or movement restrictions across the world. As we enter the 3rd Quarter of the year, economic activities in many parts of the world, including Malaysia, have broadly resumed even though activities involving mass gathering and air travel are still curtailed or discouraged”.

Datuk Ruben guided that “the level of global consumption and economic activities are unlikely to resume immediately to the pre-COVID-19 environment in 2020 as the world adjusts to a “new normal” while the search for vaccines intensified. The adverse effects on employment and income levels will curtail consumption and the overall economic recovery. Hence, the Company cautioned that it does not expect container throughput to register an overall increase for the second half of the year 2020”.

The Group Managing Director concluded that “The momentary pause in the relentless volume growth experienced in recent years incidentally has provided Westports more time to plan and execute the land reclamation phase at a more competitive cost for the mega Container Terminal expansion from CT10 to CT17. Westports remains committed to reinforcing Port Klang as one of the main transshipment hubs in South East Asia for international container shipping alliances”.

About Westports Holdings Berhad

Westports Holdings Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad on 18th October 2013 and is the largest listed port operator in Malaysia.

Westports is strategically located in Port Klang along the Straits of Malacca. The Company is involved in a container and conventional cargo handling as well as providing a wide range of port services, including marine, rental and other ancillary services.



Important notice

Kindly read this media release alongside with the announcement released to Bursa Malaysia dated 24 July 2020 for a comprehensive understanding of Westports' financial results.

This document contains certain forward-looking statements with respect to Westports' financial condition, results of operations and business, and management's strategy, plans and objectives of Westports. These statements include without limitation, those that express forecasts, expectations and projections such as forecasts, expectations and projections in relation to new products and services, revenue, profit, cash flow, operational metrics etc.

These statements (and all other forward-looking statements, contained in this document) are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Westports' control, are difficult to predict and could cause actual results to differ materially from those expressed or implied or forecast in the forward-looking statements.

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