

Westports Holdings (WPRTS MK)

Long awaited green light for expansion

Positive on latest development; maintain BUY

We maintain our BUY rating for Westports, raising DCF-TP by 18% to MYR4.35. Our FY23E/24E earnings forecasts are largely unchanged, with a slight -2% adjustment to FY25E. Our higher DCF valuation is mainly due to the port's extended concession period to 2082, now reflected in our projections, along with the Westports 2.0 (WP2) expansion. We reduced our WACC to 6.7% from 8.7%, aligning with updated debt-to-equity and adjusted beta. We view this development positively.

Details of the supplemental privatisation agreement

Westports' third supplemental privatisation agreement covers existing and new port facilities, including a sustainable development plan for CT10 to 17. This expansion aims to increase port capacity from 14m TEUs to 27m TEUs by 2053. The expansion will involve an initial development capex of RM12.6b, with preliminary construction to start in Jan 2024. Westports plans to fund the expansion through a mix of internally generated funds, new equity, and a proposed MYR5b Sukuk program.

Our key assumptions

In our forecasts, we project a total capex of MYR39.4b until 2082, in line with guidance (annual maintenance/facilities upgrade capex = MYR450m-MYR500m). Additionally, we anticipate a 30% increase in container tariffs in FY27E, coinciding with the start of CT10 operations. Our assumptions include a moderate 1%-2% p.a. long-term growth for container throughput.

Extended long-term visibility

We are optimistic on Westports' outlook, driven by sustained growth in intra-Asia trade and increasing FDIs in Malaysia, which will boost its gateway volume expansion. The long-awaited CT10-CT17 expansion extends Westports' growth prospect. With a net gearing of 0.15x at end-FY22, it has substantial debt capacity, supported by a robust FCF of >MYR800m p.a. An equity call is only anticipated in 2027. Our current forecasts have factored in a dividend reinvestment plan for FY26E/27E.

FYE Dec (MYR m)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue	1,978	2,055	2,170	2,222	2,292
EBITDA	1,287	1,188	1,291	1,286	1,260
Core net profit	737	673	785	827	799
Core EPS (sen)	21.6	19.8	23.0	24.3	23.4
Core EPS growth (%)	7.0	(8.6)	16.6	5.3	(3.4)
Net DPS (sen)	16.2	14.8	17.3	18.2	17.6
Core P/E (x)	18.7	19.2	15.5	14.7	15.2
P/BV (x)	4.4	4.0	3.5	3.3	3.1
Net dividend yield (%)	4.0	3.9	4.8	5.1	4.9
ROAE (%)	27.1	21.9	23.3	23.1	21.2
ROAA (%)	13.8	12.6	14.8	15.6	9.4
EV/EBITDA (x)	11.2	11.3	9.7	10.0	11.0
Net gearing (%) (incl perps)	18.0	14.9	9.0	20.2	42.8
Consensus net profit	-	-	743	786	830
MIBG vs. Consensus (%)	-	-	5.8	5.2	(3.7)

Loh Yan Jin

lohyanjin.loh@maybank-ib.com

(603) 2297 8687

BUY

Share Price	MYR 3.57
12m Price Target	MYR 4.35 (+27%)
Previous Price Target	MYR 3.68

Company Description

Westports Holdings Bhd is a key transshipment port at Straits of Malacca and is also a key port in Malaysia serving the Klang Valley area.

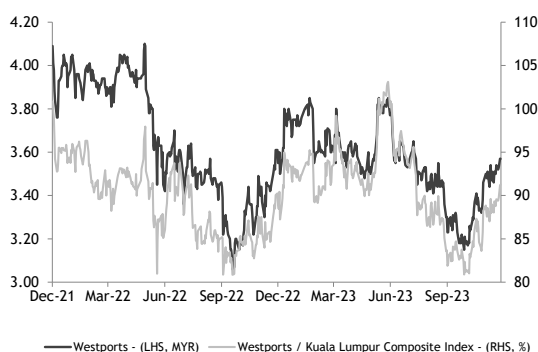
Statistics

52w high/low (MYR)	3.85/3.15
3m avg turnover (USDm)	1.5
Free float (%)	21.1
Issued shares (m)	3,410
Market capitalisation	MYR12.2B
	USD2.6B

Major shareholders:

Pembinaan Redzai Sdn. Bhd.	42.4%
South Port Investment Holdings Ltd.	23.5%
Employees Provident Fund	9.2%

Price Performance



	-1M	-3M	-12M
Absolute (%)	7	6	1
Relative to index (%)	8	7	3

Source: FactSet

The 3rd Supplemental Privatisation Agreement

Westports first signed its privatization agreement and lease agreement back in 1994 to operate the Westport in Port Klang for 30 years (until 31 Aug 2024). The privatization was subsequently extended for 30 years (until 2054) in July 2014.

As the concession holder, Westports sets the levy charges on port users for the services provided. Nevertheless, these fees are subject to a ceiling defined by the Port Klang Authorities (PKA) and Government of Malaysia (GoM). As consideration to operate and lease the port property, Westports pays (i) a fixed lease, i.e. annual lease payment for the use of port infrastructure and facilities (the initial rate was determined at the start of the concession agreement and is adjusted every few years), and (ii) a variable lease, i.e. profit-sharing with the authorities based on the volume of containers and conventional cargoes handled.

Concession extension

The 3rd supplemental agreement, inked on 8 Dec 2023, will extend the concession period to 2082 for the existing port facilities (2,011 acres under 'WP1') and for the new facilities to be built (under 'WP2') at a cost of MYR39.6b.

- The concession period will be extended to 31 Aug 2070 (effectively by 16 years from 2054, ie. the 1st extension) after CT10-CT13 are built. CT10 is targeted to commence operations by 2H27, and CT11 by 2H29.
- The concession period will be further extended to 31 Aug 2082 (by another 12 years from 2070), post construction of the remaining CTs - ie. CT14-CT17 - as well as post transfer of a 3rd piece of land (underwater) by 31 Aug 2045.

Lease terms and payments to PKA

- **Fixed lease for WP1** - The annual fixed lease will be revised upwards to MYR90m effective 1 Sep 2024. This compares to MYR61m paid in 2022. Moving forward, the lease increase rate will be in line with the container tariff revision rate.
- **Fixed lease for WP2** - The annual fixed lease will be MYR1m considering that two pieces of land (totalling 743 acres and costing MYR610m) would have been transferred to PKA by then (ie. by 1 Sep 2024 and 31 Aug 2026 respectively).
- **Variable lease** - This is effectively a 'profit-sharing' arrangement with PKA, and it comprises two parts, relating to container and conventional cargoes. The profit-sharing amount for container cargoes will be revised up, while the profit-sharing for conventional cargoes will be unchanged.

Revised variable lease rate

Cargoes type		(ft)	Rates (MYR)	
			New	Old
Container	Gateway	20	3.00	1.00
		40	4.50	1.00
	Transshipment	20	2.00	1.00
		40	3.00	1.00
Conventional			0.10	0.10

Source: Westports

More on the terms relating to land lease/ownership

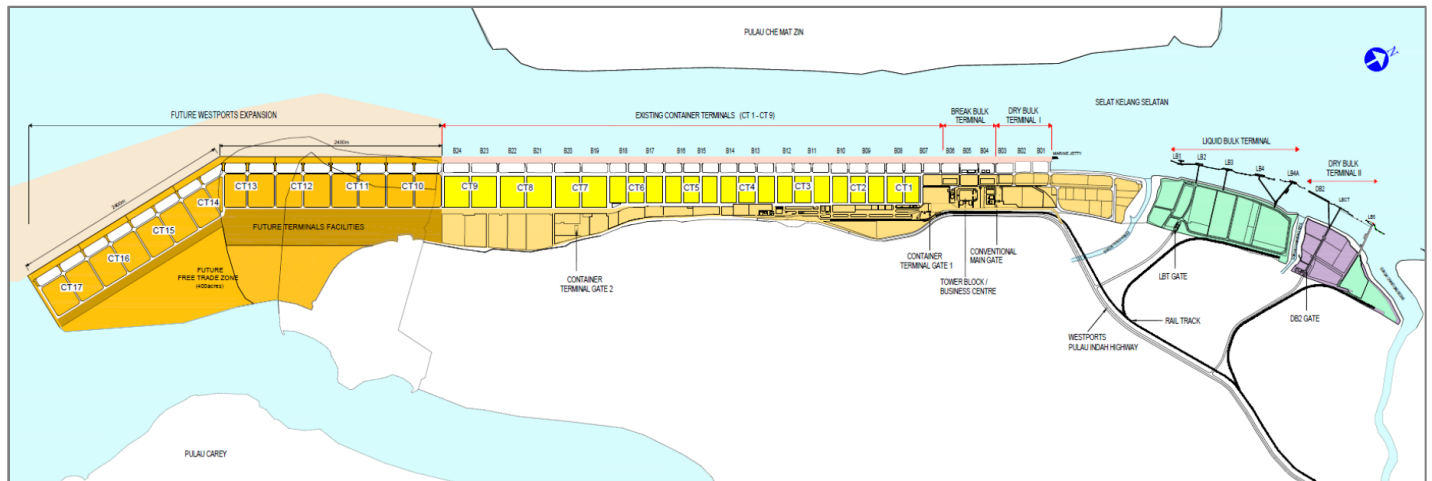
Westports will transfer two parcels of land to PKA (total land costs: c.MYR610m) by 1 Sep 2024 and 31 Aug 2026 respectively. In return, the fixed land lease for WP2 will be only MYR1m p.a., compared to MYR90m for WP1. Moreover, Westports is required to acquire and transfer a third parcel of land (underwater) by 31 Aug 2045, as a condition to further extend the concession period from 2070 to 2082.

Land details

Land		Size (acres)	Deadline for ownership transfer
WP1		2011	-
WP2	PKNS land	381	01-Sep-24
	Marina land	362	31-Aug-26
	Underwater land	NA	31-Aug-45

Source: Westports

Aerial view of WP1 and WP2



Source: Westports

Existing two parcels of land to be transferred under WP2

PKNS Land



Marina Land



Source: Westports

Westports' capex

The overall total projected capex for both WP1 and WP2 until 2082 is e.MYR39.6b, including replacement of all equipment and maintenance capex, and with automation and digitalization plans to be executed. This includes the 1) procurement of e-RTGs and electric terminal tractors, 2) incorporating flexibility for complete and semi-automation of terminal equipment, and 3) incorporating facilities that support future advancements such as IoT, blockchain, AI, etc.

For WP2, the initial development capex is in line with the previous guidance of MYR12.6b (or MYR6.3b respectively for both Phase 1 and Phase 2), as shown below:

WP2's capex

Phase	Expansion	Period	MYR b
Phase 1	Land reclamation, dredging, containment bund	2024-2028	0.25-0.6 p.a.
	CT10-CT11	2024-2029	2.2-2.4
	CT12-CT13	2029-2038	2.2-2.4
Phase 2	CT14-CT17	2036-2053	6.3
Total overall projected capex to 2082		2024-2082	39.6

Source: Westports

Financing for future capex

Westports is considering the following financing mix:

- New MYR5b perpetual (and green) Sukuk programme for WP2, as it targets a maximum debt-to-equity ratio of 40:60.
- New MYR800-MYR1.2b equity by 2027 via dividend reinvestments, share placement or strategic investor.

As for its existing MYR850m Sukuk MTN, it will be retained until its full redemption in 2028. Westports intends to use **internally generated funds** of <MYR400m in the first year for land reclamation and dredging.

Our financial forecasts & valuation

We've made the following adjustments in our updated forecasts:

- (i) Extended our projection to 2082 to account for the new concession period, incorporating WP2 expansion and associated funding requirements.
- (ii) Assumed a 30% increase in container tariff adjustment in FY27E, coinciding with the commencement of CT10 operations. Although no specific guidance is available yet, the company has indicated active engagement with authorities on this matter.
- (iii) Included a moderate long-term growth assumption for container throughput volume at 1%-2% p.a.
- (iv) Projected a 0% cash dividend payout for FY26E and FY27E to preserve cash for funding WP2 expansion.
- (v) Set a total capex assumption (until 2082) for the combined WP1 enhancement and WP2 development at MYR39.4b, closely aligned with the company's estimate of MYR39.6b.
- (vi) Lowered our DCF discount rate (WACC) to 6.7% from 8.7% following updates to our debt-to-equity ratio target and adjusted beta value.

Consequently, our new target price is MYR4.35, a 19% increase from our previous target of MYR3.68. We maintain a BUY recommendation.

Impact on P&L and BS

Timeline	Developments	Profit & Loss (P&L) Impact	Balance Sheet (BS) Impact
2024	Completes Marina Land acquisition and transfer of both lands to PKA		Addition to BS as concession assets, with amortisation over the concession period (until 2070; another adjustment to be made when the concession period is being extended to 2082).
	Dredging and reclamation capex (c.<MYR400m)		Will be classified under assets under construction.
	Depreciation and amortisation (D&A)	Will be lower as D&A period will be extended, inline with the extension of concession period.	
	Financing costs		Will be capitalised until CT10 commences operation.
	10 years Investment Tax Allowances (ITA) from 2022-2031	Effective tax rate is estimated to be within 18%-21%.	
Sep-24	Adjustment of rental income	Recognition of rental income from land and building on straight line basis over the lease term. Expecting substantial increment, inline with the increment of fix land lease to be paid to PKA in the new agreement (c.+40% YoY).	
	Payments to PKA (recognise under 'other expenses')	Will be higher, inline with the new rates for both WP1 land lease and profit-sharing rates, as well as adjustment to the new lease liabilities.	To recognise the revised lease liabilities from 1 Sep 2024.
2025-2028	Dredging, reclamation, containment bund capex (MYR250m-MYR600m p.a.)		Will be classified under assets under construction.
	10 years Investment Tax Allowances (ITA) from 2022-2031	Effective tax rate is estimated to be within 18%-21%.	
2027	Equity injection		Equity fund raising of MYR800m-MYR1.2b.
	CT10 commences operations (2H27)	Recognition of contributions from CT10.	
	Financing costs	Recognition of higher financing costs associated to the construction capex post commencement of CT10 operations.	
2029	CT11 commences operations (2H29)	Recognition of contributions from CT11.	

Source: Westports, MIBG Research

FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Metrics					
P/E (reported) (x)	18.0	17.8	15.5	14.7	15.2
Core P/E (x)	18.7	19.2	15.5	14.7	15.2
P/BV (x)	4.4	4.0	3.5	3.3	3.1
P/NTA (x)	4.4	4.0	3.5	3.3	3.1
Net dividend yield (%)	4.0	3.9	4.8	5.1	4.9
FCF yield (%)	5.7	5.5	7.1	2.3	nm
EV/EBITDA (x)	11.2	11.3	9.7	10.0	11.0
EV/EBIT (x)	14.0	14.6	11.9	12.3	13.4

INCOME STATEMENT (MYR m)

Revenue	1,977.8	2,055.4	2,170.5	2,222.3	2,291.9
EBITDA	1,287.0	1,187.8	1,290.8	1,285.8	1,260.0
Depreciation	(174.6)	(178.9)	(180.4)	(183.5)	(179.7)
Amortisation	(84.2)	(85.7)	(84.7)	(82.5)	(46.7)
EBIT	1,028.3	923.3	1,052.3	1,046.6	1,033.5
Net interest income /(exp)	(61.7)	(52.3)	(50.2)	(31.5)	(54.3)
Associates & JV	(0.4)	(0.4)	(0.4)	1.0	1.0
Exceptionals	71.4	(14.1)	0.0	0.0	0.0
Other pretax income	2.1	87.5	18.4	17.9	18.8
Pretax profit	1,039.5	943.9	1,020.1	1,034.0	999.0
Income tax	(231.3)	(244.4)	(234.6)	(206.8)	(199.8)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	808.2	699.6	785.5	827.2	799.2
Core net profit	736.9	673.5	785.5	827.2	799.2

BALANCE SHEET (MYR m)

Cash & Short Term Investments	656.0	552.1	599.5	38.8	122.0
Accounts receivable	296.3	210.1	220.6	225.3	231.7
Inventory	5.4	5.4	5.4	5.4	5.4
Property, Plant & Equip (net)	1,727.2	1,775.8	1,798.0	2,064.5	2,334.8
Intangible assets	0.0	0.0	0.0	0.0	0.0
Investment in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other assets	2,730.4	2,738.3	2,678.0	2,987.4	9,018.6
Total assets	5,415.3	5,281.7	5,301.4	5,321.3	11,712.5
ST interest bearing debt	199.1	148.8	148.8	148.8	148.8
Accounts payable	146.6	195.3	202.6	205.9	210.3
LT interest bearing debt	1,021.3	891.5	762.5	633.4	1,633.4
Other liabilities	922.0	772.0	717.0	656.0	5,843.0
Total Liabilities	2,288.4	2,007.3	1,830.7	1,643.8	7,835.2
Shareholders Equity	3,126.9	3,274.4	3,470.7	3,677.5	3,877.3
Minority Interest	0.0	0.0	0.0	0.0	0.0
Total shareholder equity	3,126.9	3,274.4	3,470.7	3,677.5	3,877.3
Total liabilities and equity	5,415.3	5,281.7	5,301.4	5,321.3	11,712.5

CASH FLOW (MYR m)

Pretax profit	1,039.5	943.9	1,020.1	1,034.0	999.0
Depreciation & amortisation	258.8	264.5	265.1	265.9	226.4
Adj net interest (income)/exp	57.3	48.2	46.1	27.5	54.3
Change in working capital	1.9	34.9	(3.2)	(1.4)	(1.9)
Cash taxes paid	(204.2)	(319.7)	(234.6)	(206.8)	(199.8)
Other operating cash flow	0.0	0.0	0.0	1.0	1.0
Cash flow from operations	1,161.5	952.6	1,097.6	1,124.2	1,079.1
Capex	(370.9)	(246.1)	(235.0)	(850.0)	(1,250.0)
Free cash flow	790.6	706.4	862.6	274.2	(170.9)
Dividends paid	(510.5)	(552.1)	(589.1)	(620.4)	(599.4)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(150.7)	(175.8)	(125.0)	(125.0)	1,000.0
Other invest/financing cash flow	(113.3)	(108.0)	(101.0)	(88.5)	(145.3)
Effect of exch rate changes	0.0	0.0	0.0	0.0	0.0
Net cash flow	16.1	(129.5)	47.4	(559.7)	84.3

FYE 31 Dec	FY21A	FY22A	FY23E	FY24E	FY25E
Key Ratios					
Growth ratios (%)					
Revenue growth	7.7	3.9	5.6	2.4	3.1
EBITDA growth	8.2	(7.7)	8.7	(0.4)	(2.0)
EBIT growth	10.7	(10.2)	14.0	(0.5)	(1.2)
Pretax growth	20.2	(9.2)	8.1	1.4	(3.4)
Reported net profit growth	23.5	(13.4)	12.3	5.3	(3.4)
Core net profit growth	7.0	(8.6)	16.6	5.3	(3.4)
Profitability ratios (%)					
EBITDA margin	65.1	57.8	59.5	57.9	55.0
EBIT margin	52.0	44.9	48.5	47.1	45.1
Pretax profit margin	52.6	45.9	47.0	46.5	43.6
Payout ratio	68.4	72.2	75.0	75.0	75.0
DuPont analysis					
Net profit margin (%)	40.9	34.0	36.2	37.2	34.9
Revenue/Assets (x)	0.4	0.4	0.4	0.4	0.2
Assets/Equity (x)	1.7	1.6	1.5	1.4	3.0
ROAE (%)	27.1	21.9	23.3	23.1	21.2
ROAA (%)	13.8	12.6	14.8	15.6	9.4
Liquidity & Efficiency					
Cash conversion cycle	(53.3)	(50.6)	(67.5)	(63.6)	(55.9)
Days receivable outstanding	52.3	44.3	35.7	36.1	35.9
Days inventory outstanding	3.5	3.1	2.9	2.7	2.4
Days payables outstanding	109.1	98.0	106.0	102.4	94.3
Dividend cover (x)	1.5	1.4	1.3	1.3	1.3
Current ratio (x)	1.3	1.4	1.4	0.5	0.6
Leverage & Expense Analysis					
Asset/Liability (x)	2.4	2.6	2.9	3.2	1.5
Net gearing (%) (incl perps)	18.0	14.9	9.0	20.2	42.8
Net gearing (%) (excl. perps)	18.0	14.9	9.0	20.2	42.8
Net interest cover (x)	16.7	17.7	21.0	33.2	19.0
Debt/EBITDA (x)	0.9	0.9	0.7	0.6	1.4
Capex/revenue (%)	18.8	12.0	10.8	38.2	54.5
Net debt/ (net cash)	564.4	488.3	311.8	743.4	1,660.1

Source: Company; Maybank IBG Research

Research Offices

ECONOMICS

Suhami ILIAS
Chief Economist
Malaysia | Philippines | Global
(603) 2297 8682
suhami_ilias@maybank-ib.com

CHUA Hak Bin
Regional Thematic Macroeconomist
(65) 6231 5830
chuahb@maybank.com

Dr Zamros DZULKAFLI
Malaysia | Philippines
(603) 2082 6818
zamros.d@maybank-ib.com

Erica TAY
China | Thailand
(65) 6231 5844
erica.tay@maybank.com

Brian LEE Shun Rong
Indonesia | Singapore | Vietnam
(65) 6231 5846
brian.lee1@maybank.com

Fatin Nabila MOHD ZAINI
(603) 2297 8685
fatinnabila.mohdzaini@maybank-ib.com

Luong Thu Huong
(65) 6231 8467
hana.thuluong@maybank.com

FX

Saktiandi SUPAAT
Head of FX Research
(65) 6320 1379
saktiandi@maybank.com

Fiona LIM
(65) 6320 1374
fionalim@maybank.com

Alan LAU
(65) 6320 1378
alanlau@maybank.com

Shaun LIM
(65) 6320 1371
shaunlim@maybank.com

STRATEGY

Anand PATHMAKANTHAN
ASEAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, CFA
Head of Fixed Income
(65) 6340 1079
winsonphoon@maybank.com

SE THO Mun Yi, CFA
(603) 2074 7606
munyi.st@maybank-ib.com

PORTFOLIO STRATEGY

ONG Seng Yeow
(65) 6231 5839
ongsengyeow@maybank.com

MIBG SUSTAINABILITY RESEARCH

Jigar SHAH
Head of Sustainability Research
(91) 22 4223 2632
jigars@maybank.com

Neerav DALAL
(91) 22 4223 2606
neerav@maybank.com

REGIONAL EQUITIES

Anand PATHMAKANTHAN
Head of Regional Equity Research
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

WONG Chew Hann, CA
Head of ASEAN Equity Research
(603) 2297 8686
wchewh@maybank-ib.com

MALAYSIA

WONG Chew Hann, CA Head of Research
(603) 2297 8686
wchewh@maybank-ib.com
• Equity Strategy
• Non-Bank Financials (stock exchange)
• Construction & Infrastructure

Anand PATHMAKANTHAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com
• Equity Strategy

Desmond CH'NG, BFP, FCA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

ONG Chee Ting, CA
(603) 2297 8678
ct.ong@maybank-ib.com
• Plantations - Regional

YIN Shao Yang, CPA
(603) 2297 8916
samuel.y@maybank-ib.com
• Gaming - Regional
• Media • Aviation • Non-Bank Financials

TAN Chi Wei, CFA
(603) 2297 8690
chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679
weisum@maybank-ib.com
• Property • Glove

Jade TAM
(603) 2297 8687
jade.tam@maybank-ib.com
• Consumer Staples & Discretionary

Nur Farah SYIFAA
(603) 2297 8675
nurfarahsyifaa.mohamadfuad@maybank-ib.com
• Renewable Energy • REITs

LOH Yan Jin
(603) 2297 8687
lohyanjin.loh@maybank-ib.com
• Ports • Automotive • Technology (EMS)

Jeremie YAP
(603) 2297 8688
jeremie.yap@maybank-ib.com
• Oil & Gas • Petrochemicals

Arvind JAYARATNAM
(603) 2297 8692
arvind.jayaratnam@maybank.com
• Technology (Semicon & Software)

TEE Sze Chiah Head of Retail Research
(603) 2082 6858
szechiah.t@maybank-ib.com
• Retail Research

Nik Ihsan RAJA ABDULLAH, MSTA, CFTe
(603) 2297 8694
nikmohdihsan.ra@maybank-ib.com
• Chartist

Amirah AZMI
(603) 2082 8769
amirah.azmi@maybank-ib.com
• Retail Research

SINGAPORE

Thilan WICKRAMASINGHE Head of Research
(65) 6231 5840
thilanw@maybank.com
• Banking & Finance - Regional
• Consumer

Eric ONG
(65) 6231 5849
ericong@maybank.com
• Healthcare • Transport • SMIDs

Kelvin TAN
(65) 6231 5837
kelvin.tan1@maybank.com
• Telcos • Industrials

LI Jialin
(65) 6231 5845
jialin.li@maybank.com
• REITs

Jarick SEET
(65) 6231 5848
jarick.seet@maybank.com
• Technology

Krishna GUHA
(65) 6231 5842
krishna.guha@maybank.com
• REITs

PHILIPPINES

Rachelleen RODRIGUEZ, CFA Head of Research
(63) 2 8849 8843
rachelleen.rodriquez@maybank.com
• Banking & Finance • Transport • Telcos
• Utilities

Daphne SZE
(63) 2 8849 8847
daphne.sze@maybank.com
• Consumer

Alexa Mae CARVAJAL
(63) 2 8849 8838
alexamae.carvajal@maybank.com
• Consumer • Gaming • Property • REITs

THAILAND

Chak REUNGSINPINYA Head of Research
(66) 2658 5000 ext 1399
chak.reungsinpinya@maybank.com
• Strategy • Energy

Jesada TECHAHUSDIN, CFA
(66) 2658 5000 ext 1395
jesada.t@maybank.com
• Banking & Finance

Wasu MATTANAPOTCHANART
(66) 2658 5000 ext 1392
wasu.m@maybank.com
• Telcos • Technology • REITs • Property
• Consumer Discretionary

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
surachai.p@maybank.com
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank.com
• Food & Beverage • Commerce

Natchaphon RODJANAROWAN
(66) 2658 5000 ext 1393
natchaphon.rodjanarowan@maybank.com
• Utilities

INDONESIA

Jeffrosenberg CHENLIM Head of Research
(62) 21 8066 8680
jeffrosenberg.lim@maybank.com
• Strategy • Banking & Finance • Property

Willy GOUTAMA
(62) 21 8066 8500
willy.goutama@maybank.com
• Consumer

Etta Rusdiana PUTRA
(62) 21 8066 8683
etta.putra@maybank.com
• Telcos • Internet • Construction

William Jefferson W
(62) 21 8066 8563
william.jefferson@maybank.com
• Property

Adi WICAKSONO
(62) 21 8066 8686
adi.wicaksono@maybank.com
• Plantations

Satriawan HARYONO, CEWA, CTA
(62) 21 8066 8563
satriawan@maybank.com
• Chartist

VIETNAM

Quan Trong Thanh Head of Research
(84 28) 44 555 888 ext 8184
thanh.quan@maybank.com
• Strategy • Banks

Hoang Huy, CFA
(84 28) 44 555 888 ext 8181
hoanghuy@maybank.com
• Strategy • Technology

Le Nguyen Nhat Chuyen
(84 28) 44 555 888 ext 8082
chuyen.le@maybank.com
• Oil & Gas • Logistics

Nguyen Thi Sony Tra Mi
(84 28) 44 555 888 ext 8084
trami.nguyen@maybank.com
• Consumer Discretionary

Tran Thi Thanh Nhan
(84 28) 44 555 888 ext 8088
nhan.tran@maybank.com
• Consumer Staples

Nguyen Le Tuan Loi
(84 28) 44 555 888 ext 8182
loi.nguyen@maybank.com
• Property

Nguyen Thanh Hai
(84 28) 44 555 888 ext 8081
thanhhai.nguyen@maybank.com
• Industrials

Nguyen Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank.com
• Retail Research

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MST Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MST does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Wedbush Securities Inc. ("Wedbush"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Wedbush in the US shall be borne by Wedbush. This report is not directed at you if Wedbush is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Wedbush is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Wedbush Securities Inc. 1000 Wilshire Blvd, Los Angeles, California 90017, +1 (646) 604-4232 and not with the issuer of this report.

UK

This document is being distributed by Maybank Securities (London) Ltd ("MSUK") which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for

the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938-H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia ("PTMSI") (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited ("MIBSI") is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India ("SEBI") (Reg. No. INZ000010538). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057). **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: Maybank IBG and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 11 December 2023, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MST may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MST, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 11 December 2023, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 11 December 2023, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report.

In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

Maybank IBG may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

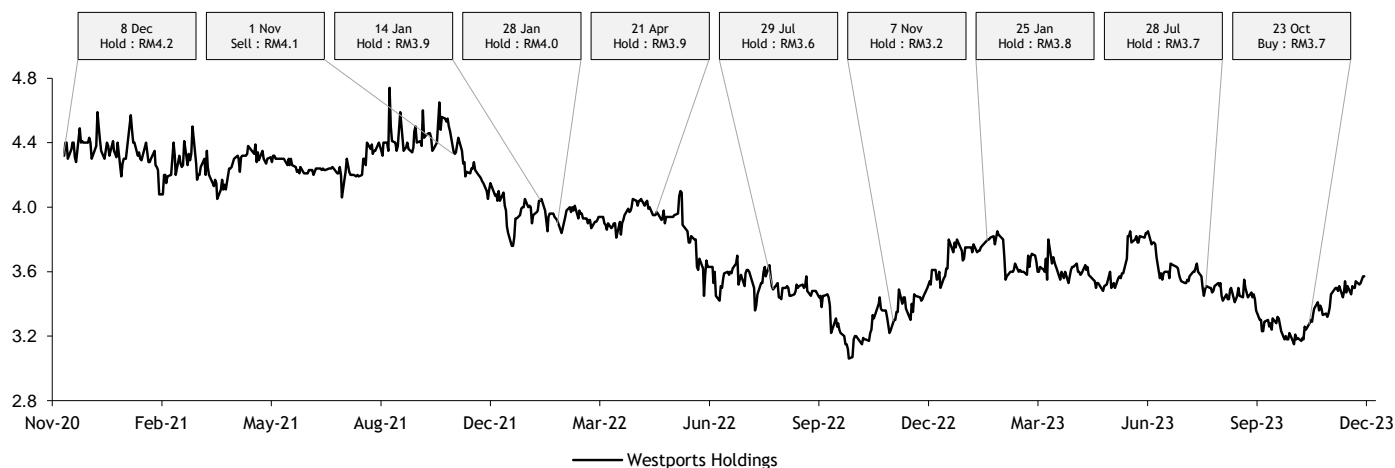
The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of Maybank IBG.

Historical recommendations and target price: Westports Holdings (WPRTS MK)



Definition of Ratings

Maybank IBG Research uses the following rating system

- BUY** Return is expected to be above 10% in the next 12 months (including dividends)
- HOLD** Return is expected to be between 0% to 10% in the next 12 months (including dividends)
- SELL** Return is expected to be below 0% in the next 12 months (including dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Malaysia

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194

Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

Singapore

Maybank Securities Pte Ltd
Maybank Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

Indonesia

PT Maybank Sekuritas Indonesia
Sentral Senayan III, 22nd Floor
Jl. Asia Afrika No. 8
Gelora Bung Karno, Senayan
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

Thailand

Maybank Securities (Thailand) PCL
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

London

Maybank Securities (London) Ltd
PNB House
77 Queen Victoria Street
London EC4V 4AY, UK

Tel: (44) 20 7332 0221
Fax: (44) 20 7332 0302

India

MIB Securities India Pte Ltd
1101, 11th floor, A Wing, Kanakia
Wall Street, Chakala, Andheri -
Kurla Road, Andheri East,
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600
Fax: (91) 22 6623 2604

Vietnam

Maybank Securities Limited
Floor 10, Pearl 5 Tower,
5 Le Quy Don Street,
Vo Thi Sau Ward, District 3
Ho Chi Minh City, Vietnam

Tel : (84) 28 44 555 888
Fax : (84) 28 38 271 030

Hong Kong

MIB Securities (Hong Kong)
Limited
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

Philippines

Maybank Securities Inc
17/F, Tower One & Exchange
Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 8849 8888
Fax: (63) 2 8848 5738

Sales Trading

Indonesia
Helen Widjaja
helen.widjaja@maybank.com
(62) 21 2557 1188

Philippines
Keith Roy
keith_roy@maybank.com
Tel: (63) 2 848-5288

London
Greg Smith
gsmith@maybank.com
Tel: (44) 207-332-0221

India
Sanjay Makhija
sanjaymakhija@maybank.com
Tel: (91)-22-6623-2629

www.maybank.com/investment-banking
www.maybank-keresearch.com