

Firm Debut for Westports



Parkson Saigon Tourist Plaza in central Ho Chi Minh, Vietnam, was the first international shopping mall in the city.

KUALA LUMPUR: Westports Holdings Bhd, the country's biggest listing year-to-date, made a firm debut on the Main Market of Bursa Malaysia as expected, closing at RM2.65 to reflect a premium of 6% or 15 sen.

Opening at a premium of 20 sen, or 8%, to RM2.70, Westports climbed to an intra-day high of RM2.71. It was the most actively traded stock with 202.6 million shares changing hands.

Westports' initial public offering (IPO) involved an offer for sale by existing shareholders of their combined stake of 23.84% , or 813.19 million shares, at a retail price of RM2.50 apiece.

The IPO, which comprised an institutional offering of up to 710.89 million shares and 102.3 million shares to the general public, saw the port operator raising RM2.2bil, with market capitalisation at about RM8.53bil.

Chief executive officer Ruben Emir Gnanalingam expects the port to register a volume growth of between 5% and 10% for this year and next.

"Our outlook is pretty strong, as our business depends largely on the world market environment.

“For this year, we anticipate registering quite a strong second-half volume growth,” he told reporters after Westports’ listing ceremony yesterday.

It is reported that Westports would handle between 7.4 million and 7.5 million 20ft-equivalent units (TEUs) this year.

It completed the construction of container terminal six (CT6) early this year, boosting the terminal’s handling capacity to 9.5 million TEUs. “We are now in the midst of constructing CT7, which is expected to be completed next year,” he said.

Westports plans to expand its capacity until CT9, which would see its capacity growing to about 16 million TEUs.

Ruben said Westports’ growth had been remarkable over the 19 years of its establishment since 1994.

“Westports is now the leading container port in Port Klang, with a market share of 69% of container throughput and 79% of transshipment traffic in 2012,” he said.

Looking at the share price movement, Ruben is positive on market response.

“Going forward, I would be working hard to deliver results as far as dividends are concerned,” he said.

Westports is comfortable with continuing to reward shareholders with a dividend policy of 75% of net profit on an annual basis, as has been the case in the past couple of years.