

Bintulu Port Holdings Berhad
[Registration No. 199601008454 (380802-T)]
(Incorporated in Malaysia)



**Unaudited Condensed Consolidated
Financial Statements
30 September 2021**

Bintulu Port Holdings Berhad
 [Registration No. 199601008454 (380802-T)]
 (Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
 POSITION AS AT 30 SEPTEMBER 2021**

	30 September, 2021 (UNAUDITED) RM'000	31 December, 2020 (AUDITED) RM'000
ASSETS		
Non- current assets		
Property, plant and equipment	251,826	273,352
Right of use assets	65,213	92,336
Intangible assets	1,432,949	1,532,213
Deferred tax assets	64,014	58,857
Trade and other receivable	10,336	10,269
	1,824,338	1,967,027
Current assets		
Inventories	3,213	3,705
Tax recoverable	12,533	2,794
Trade and other receivables	60,497	82,404
Investment in securities	305,624	229,902
Cash and cash equivalents	716,650	667,304
	1,098,517	986,109
TOTAL ASSETS	2,922,855	2,953,136

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION AS AT 30 SEPTEMBER 2021 (Continued)**

	30 September, 2021 (UNAUDITED)	31 December, 2020 (AUDITED)
	RM'000	RM'000
EQUITIES AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	890,818	890,818
Foreign currency translation reserve	70	54
Retained earnings	516,165	486,583
Total Equity	1,407,053	1,377,455
Non-current liabilities		
Other Payables	69,426	59,906
Loan and borrowings	941,467	940,338
Lease liabilities	173,607	325,860
Provision	24,159	17,622
	1,208,659	1,343,726
Current liabilities		
Dividend payables	13,800	-
Other payables	35,335	38,513
Lease liabilities	210,826	170,627
Provision	46,082	19,453
Income tax payable	1,100	3,362
	307,143	231,955
Total liabilities	1,515,802	1,575,681
TOTAL EQUITY AND LIABILITIES	2,922,855	2,953,136
NET ASSET PER SHARE (RM)	3.06	2.99

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2020 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER**

	Individual quarter			Cumulative quarter		
	ending 30 September		Changes	ending 30 September		Changes
	2021 RM'000	2020 RM'000	%	2021 RM'000	2020 RM'000	%
Revenue from operations	172,177	178,048	(3.30)	539,086	520,904	3.49
Revenue from construction services	549	819	(32.97)	3,039	3,447	(11.84)
	172,726	178,867	(3.43)	542,125	524,351	3.39
Other income	3,554	2,929	21.34	6,735	10,062	(33.06)
Cost of construction services	(549)	(819)	(32.97)	(3,039)	(3,447)	(11.84)
Staff costs	(29,845)	(29,848)	(0.01)	(97,022)	(98,080)	(1.08)
Maintenance and operational supplies	(39,253)	(36,179)	8.50	(112,300)	(105,293)	6.65
Administrative expenses	(7,211)	(8,828)	(18.32)	(20,779)	(25,379)	(18.13)
Amortisation of Leased Concession Assets	(21,994)	(20,811)	5.69	(65,983)	(62,433)	5.69
Amortisation of Other Intangibles	(17,740)	(17,418)	1.85	(53,064)	(52,164)	1.73
Depreciation of PPE	(8,694)	(8,285)	4.94	(25,608)	(24,754)	3.45
Depreciation of Right of Use Assets	(9,184)	(7,894)	16.34	(27,482)	(19,408)	41.60
Provision for replacement cost	(1,641)	(1,587)	3.40	(5,843)	(4,761)	22.73
	(136,111)	(131,669)	3.37	(411,120)	(395,719)	3.89
Operating Profit	40,169	50,127	(19.87)	137,740	138,694	(0.69)
Finance cost	(18,991)	(18,948)	(0.23)	(56,449)	(55,785)	1.19
Finance income	3,708	4,020	(7.76)	10,926	15,848	(31.06)
Profit before tax	24,886	35,199	(29.30)	92,217	98,757	(6.62)
Tax expense	(3,125)	(8,425)	(62.91)	(25,835)	(30,325)	(14.81)
Profit net of tax, representing total comprehensive income for the period	21,761	26,774	(18.72)	66,382	68,432	(2.99)
Basic earnings per share (sen)	4.73	5.82	(18.72)	14.43	14.87	(2.99)

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED
STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 & 30 SEPTEMBER 2020**

	Share capital RM'000	Retained Profits RM'000	Foreign currency translation reserve RM'000	Total RM'000
Opening balance at 1 January, 2021	890,818	486,583	54	1,377,455
Net profit for the period	-	66,382	-	66,382
Foreign currency translation ¹	-	-	16	16
<i>Transaction with owners</i>				
Dividend paid / payable	-	(36,800)	-	(36,800)
Closing balance at 30 September, 2021	890,818	516,165	70	1,407,053
Opening balance at 1 January, 2020	890,818	439,282	-	1,330,100
Net profit for the period	-	68,432	-	68,432
<i>Transaction with owners</i>				
Dividend payables	-	(27,600)	-	(27,600)
Closing balance at 30 September, 2020	890,818	480,114	-	1,370,932

Note: ¹ The foreign currency translation arises due to exchange difference on translation of the financial statements of a foreign entity.

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2020 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 & 30 SEPTEMBER 2020**

	9 months ended 30 September, 2021 RM'000	9 months ended 30 September, 2020 RM'000
Operating activities		
Profit before tax	92,217	98,757
<u>Adjustments for:</u>		
Amortisation of intangible assets	119,047	114,597
Depreciation of property, plant and equipment	25,608	24,754
Depreciation of right of use	27,482	19,408
Finance cost – Unwinding of discount	18,761	17,961
Finance cost – Borrowings	37,688	37,824
(Gain) / Loss on disposal of property, plant and equipment	(1)	9
Loss / (Gain) on fair value of investments in securities	9,258	(63)
Realised loss in foreign exchange	678	-
Provision for staff gratuities	-	751
Provision for maintenance dredging costs	29,068	26,118
Provision for replacement cost	5,843	4,761
Dividend income from investment	(15,150)	(9,990)
Income from LAD	-	(5)
Income from sublease	(517)	-
Interest income	(10,409)	(15,848)
Total adjustments	247,356	220,277
Operating cash flows before changes in working capital	339,573	319,034
<u>Changes in working capital</u>		
Receivables	13,638	12,415
Payables	332	(12,909)
Total changes in working capital	13,970	(494)
Cash generated from operating activities	353,543	318,540
Payment of concession arrangements	(108,709)	(107,525)
Payment of lease liabilities	(29,819)	(20,528)
Payment of dredging cost	(3,847)	(27,503)
Income tax paid	(43,001)	(39,396)
Director gratuities paid	(139)	(332)
Staff gratuities paid	(2,532)	(4,221)
Cash flows from operating activities	165,496	119,035

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 & 30 SEPTEMBER 2020
(Continued)

	9 months ended 30 September, 2021 RM'000	9 months ended 30 September, 2020 RM'000
Investing activities		
Interest received	10,074	15,877
Purchase of property, plant and equipment	(6,955)	(7,344)
Increase in intangible assets	(7,693)	(4,691)
Proceed from disposal of property, plant & equipment	-	20
Changes in investment	(69,824)	(33,218)
Net cash flows used in investing activities	(74,398)	(29,356)
Financing Activities		
Dividend paid	(23,000)	(18,400)
Repayment of profit expense on SUKUK	(18,763)	(18,763)
Net Cash flows used in financing activities	(41,763)	(37,163)
Net increase in cash and cash equivalents	49,335	52,516
Effects of exchange rate changes	11	-
Cash and cash equivalents at 1 January	648,539	675,944
Cash and cash equivalents at 30 September	697,885	728,460

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 & 30 SEPTEMBER 2020
(Continued)

	9 months ended 30 September, 2021	9 months ended 30 September, 2020
	RM'000	RM'000
Cash and cash equivalents comprise:		
Deposits and REPO with licensed financial institutions	711,195	743,165
Cash and Bank Balances	5,455	4,055
	716,650	747,220
Less: Deposit with maturity period of more than 3 months	(18,765)	(18,760)
	697,885	728,460

The unaudited condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2020 and the accompanying explanatory notes attached to the interim financial statements.

**SELECTED EXPLANATORY NOTES ON QUARTERLY FINANCIAL REPORT FOR THE
THIRD QUARTER ENDED 30 SEPTEMBER 2021**

PART A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Corporate Information

The company is a public limited company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

A2. Basis of Preparation

The condensed consolidated interim financial statements for the quarter ended 30 September 2021 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements have been prepared under the historical cost convention and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December, 2020.

The financial statements of the Group are presented in Ringgit Malaysia (“RM”) and all are rounded to the nearest thousand (RM’000) except when otherwise indicated.

A3. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2020.

The following pronouncements were issued by the MASB and are to become effective for annual periods beginning on or after 1 January 2021:

- Amendments to MFRS 9, MFRS 139, MFRS 7 MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

The adoption of the above did not have any significant effects on the interim financial report upon initial application.

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A4. Changes in Estimates

There were no other changes in estimates that have had a material effect in the current interim results.

A5. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to date.

A6. Segmental Reporting

The Group reporting is organised and managed into two major business segments based on the nature of services provided, which requires different business and marketing strategies. The reportable segments are summarised as follows:

- a. Port operations - the provision of port services and construction services which include construction of port facilities, handling of cargo for liquefied natural gas, petroleum products, liquefied petroleum gas, general cargo, container, dry bulk cargo and other ancillary services; and
- b. Bulking services- the provision of bulking installation facilities for palm oil, edible oils, vegetable oils, fats and its by-products.

Except as indicated above, no reporting segments has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects, may be measured differently from operating profit or loss in the consolidated financial statements.

A subsidiary, Bintulu Port Sdn. Bhd., has secured a contract to provide pilotage and towage services at Muara District, Brunei Darussalam from 1 February 2020. No segmental reporting by geographical information is provided as the Group's operation outside Malaysia is not significant.

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A6. Segmental Reporting (Continued)

9 months ended 30 September 2021	Port Operation RM'000	Bulking Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
Revenue:					
External customers	510,678	31,447	-	-	542,125
Inter-segment	8,121	4,117	157,679	(169,917)	-
Total revenue	<u>518,799</u>	<u>35,564</u>	<u>157,679</u>	<u>(169,917)</u>	<u>542,125</u>
Results:					
Segment profit	<u>79,537</u>	<u>13,910</u>	<u>122,028</u>	<u>(123,258)</u>	<u>92,217</u>
Assets:					
Segment assets	<u>2,589,990</u>	<u>176,451</u>	<u>1,262,011</u>	<u>(1,105,597)</u>	<u>2,922,855</u>
Liabilities:					
Segment liabilities	<u>1,520,867</u>	<u>32,147</u>	<u>31,627</u>	<u>(68,839)</u>	<u>1,515,802</u>
<hr/>					
9 months ended 30 September 2020	Port Operation RM'000	Bulking Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
Revenue:					
External customers	490,161	34,190	-	-	524,351
Inter-segment	525	4,643	161,275	(166,443)	-
Total revenue	<u>490,686</u>	<u>38,833</u>	<u>161,275</u>	<u>(166,443)</u>	<u>524,351</u>
Results:					
Segment profit	<u>86,392</u>	<u>17,181</u>	<u>121,389</u>	<u>(126,205)</u>	<u>98,757</u>
Assets:					
Segment assets	<u>2,740,500</u>	<u>179,414</u>	<u>1,195,359</u>	<u>(1,110,365)</u>	<u>3,004,908</u>
Liabilities:					
Segment liabilities	<u>1,643,271</u>	<u>37,105</u>	<u>28,600</u>	<u>(75,000)</u>	<u>1,633,976</u>

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A7. Comments about Seasonal or Cyclical Factors

The revenue from port's services and bulking services is subject to the seasonal and cyclical factors of the respective industries.

A8. Unusual Items due to their Nature, Size or Incidence

There were no unusual items for the current quarter and financial year-to-date.

A9. Tax Expense

i. Tax expense comprises:

	Current year quarter 30 September 2021 RM'000	Current year to date 30 September 2021 RM'000
Current tax expense	6,137	30,471
Deferred tax	(3,012)	(4,636)
	3,125	25,835

ii. Effective tax rate

The effective tax rate for the current year is higher compared to statutory rate primarily due to losses of a subsidiary which cannot be set off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purposes.

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A10. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the number of ordinary shares in issue during the period.

	Current year quarter		Current year-to-date	
	30 September		30 September	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders (RM'000)	21,761	26,774	66,382	68,432
Number of ordinary shares in issue ('000)	460,000	460,000	460,000	460,000
Basic earnings per share (sen)	4.73	5.82	14.43	14.87

A11. Dividends Paid

	9 months ended	9 months ended
	30 September	30 September
	2021	2020
	RM'000	RM'000
<u>Ordinary</u>		
Fourth interim paid:		
2020 – 2.00 sen Per Share Single Tier Fourth Interim Dividend, paid on 15 th April 2021	9,200	9,200
First interim paid:		
2021 – 3.00 sen Per Share Single Tier First Interim Dividend, paid on 3 rd August 2021	13,800	9,200
TOTAL PAID	23,000	18,400

During the Board Meeting held on 26th August 2021, the Board has recommended a second interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000 in respect of the period ended 30th June 2021 (previous corresponding period interim single tier dividend of 2.00 sen per share on 460,000,000 ordinary shares). This dividend was subsequently paid on 7th October 2021.

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A12. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date.

A13. Subsequent Events

There were no materials events subsequent to the end of the reporting period that have not been reflected in the financial statements.

A14. Valuation of Property, Plant and Equipment

There has not been any valuation of property, plant and equipment for the Group.

A15. Contingent Liabilities or Contingent Assets

There were no other contingent liabilities or contingent assets during the quarter under review.

A16. Acquisitions and Disposals of Property, Plant and Equipment

There were no major acquisitions and disposal of property, plant and equipment during the quarter under review.

A17. Commitments

As at 30 September 2021, the commitments were as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment / Intangible assets	8,367
Approved but not contracted for :	
Property, plant and equipment / Intangible assets	607
	8,974

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A18. Significant Related Party Transactions

	Current year quarter 30 September 2021 RM'000	Current year- to-date 30 September 2021 RM'000
a) Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:		
<u>Rendering of services:</u>		
Malaysia LNG Sdn.Bhd	29,502	118,125
Petronas Carigali Sdn. Bhd.	3,466	5,935
Petronas Dagangan Berhad	408	1,116
Petronas Chemical Marketing (L) Ltd	259	587
Vestigo Petroleum Sdn. Bhd.	85	302
<u>Purchases of fuel and lubricants:</u>		
Petronas Dagangan Berhad	(3,461)	(9,356)
b) Transactions with subsidiaries of a substantial shareholder, State Financial Secretary (Sarawak Government):		
<u>Purchases of gas fuel:</u>		
Petroleum Sarawak Berhad	(601)	(1,424)

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

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PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	Individual quarter ending 30 September		Changes %	Cumulative quarter ending 30 September		Changes %
	2021 RM'000	2020 RM'000		2021 RM'000	2020 RM'000	
Revenue from operations	172,177	178,048	(3.30)	539,086	520,904	3.49
Revenue from construction services	549	819	(32.97)	3,039	3,447	(11.84)
	172,726	178,867	(3.43)	542,125	524,351	3.39
Other income	3,554	2,929	21.34	6,735	10,062	(33.06)
Cost of construction services	(549)	(819)	(32.97)	(3,039)	(3,447)	(11.84)
Operating expenses	(76,309)	(74,855)	1.94	(230,101)	(228,752)	0.59
Amortisation of Leased Concession Assets	(21,994)	(20,811)	5.69	(65,983)	(62,433)	5.69
Amortisation of Other Intangibles	(17,740)	(17,418)	1.85	(53,064)	(52,164)	2.76
Depreciation of PPE	(8,694)	(8,285)	4.94	(25,608)	(24,754)	3.45
Depreciation of Right of Use Assets	(9,184)	(7,894)	16.34	(27,482)	(19,408)	41.61
Provision for replacement cost	(1,641)	(1,587)	3.40	(5,843)	(4,761)	22.73
	(136,111)	(131,669)	3.37	(411,120)	(395,719)	3.89
Operating Profit	40,169	50,127	(19.87)	137,740	138,694	(0.69)
Finance cost	(18,991)	(18,948)	(0.23)	(56,449)	(55,785)	1.19
Finance income	3,708	4,020	(7.76)	10,926	15,848	(31.06)
Profit before tax	24,886	35,199	(29.30)	92,217	98,757	(6.62)

Quarter Ended 30 September 2021 compared to Quarter Ended 30 September 2020

The Group registered a profit before taxation amounting to RM24.89 million in the current quarter against RM35.20 million achieved in the preceding year corresponding quarter.

The Group's operating revenue of RM172.18 million for the current quarter is lower by RM5.87 million (3.30%) compared to RM178.05 million achieved in the corresponding quarter. The revenue recorded from port's services at Bintulu Port is RM125.01 million in Q3 2021 as compared to RM137.85 million achieved in Q3 2020. The revenue generated from the operation at Samalaju Industrial Port during the quarter under review is RM35.42 million against RM27.21 million in corresponding year quarter. The revenue from bulking facilities is RM11.75 million as against RM12.99 million in Q3 2020.

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B1. Review of Performance (Continued)

Revenue from construction services for concession infrastructure of RM0.55 million was recognized in Q3 2021 as against RM0.82 million in Q3 2020. The corresponding cost of construction for concession was also recognized for the quarters under review. This is recognition of revenue and expenditure under IC Interpretation 12: Service Concession Arrangements.

The expenditure during the quarter under review of RM154.55 million is higher by RM4.75 million compared to Q3 2020 of RM149.80 million mainly due to timing of expenditure being incurred on repair and maintenance of port's facilities and infrastructures, additional amortization on lease of LPG Jetty and additional depreciation right of use assets on new charter hire of vessels.

There have been no other material factors affecting the earnings and/or revenue of the Group for the current quarter under review.

Nine months ended 30 September 2021 compared to nine months ended 30 September 2020

The achieved profit before tax of RM92.22 million for the nine months ended 30 September 2021, is lower by RM6.54 million (6.62%) compared to nine months ended 30 September 2020 of RM98.76 million.

The Group's operating revenue of RM539.09 million for the nine months ended 30 September 2021 is higher by RM18.19 million (3.49%) compared to nine months of preceding year. Revenue generated from port's services at Bintulu Port is RM407.49 million as against RM405.59 million during the nine months of preceding year. Samalaju Industrial Port generated RM100.15 million of revenue compared to RM81.12 million of revenue generated during the nine months of preceding year. The revenue from bulking facilities is RM31.45 million as against RM34.19 million during the period under review.

Revenue from construction services for concession infrastructure of RM3.04 million was recognized against RM3.45 million in nine months of preceding year. The corresponding cost of construction for concession were also recognized.

The expenditure during the period under review of RM464.53 million is higher by RM16.47 million compared to RM448.06 million of the preceding year. The increase in expenditure during the period under review is mainly due to the repair and maintenance of port's facilities and infrastructures, higher fuel expenses, recognition of depreciation of right of use assets on new charter hire of vessels at BPSB and additional amortization on lease of LPG Jetty.

There have been no other material factors affecting the earnings and/or revenue of the Group for the period under review.

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B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter

	Current Quarter Ended 30 September 2021 RM'000	Preceding Quarter Ended 30 June 2021 RM'000	Changes %
Revenue from operations	172,177	182,109	(5.45)
Revenue from construction services	549	1,335	(58.88)
	172,726	183,444	(5.84)
Other income	3,554	4,097	(13.25)
Cost of construction services	(549)	(1,335)	(58.88)
Operating expenses	(76,309)	(82,042)	(6.99)
Amortisation of Leased Concession Assets	(21,994)	(21,994)	-
Amortisation of Other Intangibles	(17,740)	(17,682)	0.33
Depreciation of PPE	(8,694)	(8,683)	0.14
Depreciation of Right of Use Assets	(9,184)	(9,188)	(0.04)
Provision for replacement cost	(1,641)	(1,641)	-
	(136,111)	(142,565)	(3.70)
Operating profit	40,169	44,976	(10.69)
Finance cost	(18,991)	(18,624)	1.97
Finance income	3,708	3,581	3.57
Profit before taxation	24,886	29,933	(16.86)

The pre-tax profit for the third quarter of 2021 amounting to RM24.89 million is lower compared to RM29.93 million achieved in the preceding quarter.

The Group's operating revenue is lower by RM9.93 million from RM182.11 million achieved in Q2 2021 to RM172.18 million in Q3 2021 mainly due to lower revenue generated from the services rendered at Bintulu Port. Revenue contribution from the handling of cargoes and vessel calls at Bintulu Port in Q3 2021 is RM125.01 million as against RM140.03 million in Q2 2021. Revenue at Samalaju Industrial Port is higher by RM3.33 million from RM32.09 million in Q2 2021 to RM35.42 million in Q3 2021. The revenue from the bulking services is higher by RM1.76 million from RM9.99 million in Q2 2021 to RM11.75 million in Q3 2021.

Revenue from construction services on concession infrastructure recognized in Q3 2021 is RM0.55 million whilst in Q2 2021 was RM1.33 million. The corresponding cost of construction were also recognized.

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B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter (Continued)

The expenditure during the quarter under review is lower by RM5.30 million from RM159.85 million in Q2 2021 to RM154.55 million in Q3 2021 mainly due to payment of staff's performance merits for Year 2020 in Q2 2021.

There were no other unusual items affecting profits for the current quarter.

B3. Current Year's Prospects

The Group is cautiously optimistic of its performance for Year 2021 due to the improving import and export trades situation following the reopening of the economic sectors globally and within Malaysia.

Revenue from LNG will remain as the main revenue contributor during the year under review. The Group also expects growth from containerized cargoes and cargoes from Samalaju operations.

B4. Board of Directors Statement on Internal Targets

The Company did not announce or disclose any internal management targets in a public document.

B5. Profit Forecast or Profit Guarantee

The Company did not announce or disclose any profit forecast or profit guarantee in a public document.

B6. Corporate Proposals

There were no corporate proposals announced during the reporting date.

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B7. Loans and Borrowings

Maturity	Current year quarter 30 September 2021 RM'000	Current year quarter 30 September 2020 RM'000
Non-current		
<u>Unsecured:</u>		
Sukuk Murabahah	941,467	939,958

Sukuk Murabahah

Samalaju Industrial Port Sdn. Bhd., a wholly-owned subsidiary of Bintulu Port Holdings Berhad (BPHB), has entered into a Sukuk Programme which has a tenure of 20 years from date of first issuance and has a limit of RM950 million in nominal value. It is based on the Shariah principle of Murabahah (via a Tawarruq arrangement) involving selected Shariah compliant commodities ("Sukuk Murabahah").

The Sukuk programme is unsecured. It is back by an irrevocable and unconditional guarantee by Bintulu Port Holdings Berhad as the guarantor. The proceeds from the issuance under the Sukuk Murabahah shall be utilised by the subsidiary for the payment of fees and expenses relation to the Sukuk Programme, funding of the initial Financial Service Reserve Account Minimum Required Balance, capital expenditure, payments of Periodic Distributions to beneficial holders during construction and working capital requirements all of which shall be in relation to the Project.

Summary of the Sukuk Murabahah is tabulated below:

Year of Issuance	Nominal amount	Profit payment rates	Yield-to- maturity	Tenure	Redemption dates
	RM' million	% p.a.	%p.a.	Years	Years
2015	700	5.05 - 5.65	5.30 - 6.00	8 - 14	2023 - 2029
2016	250	4.50	3.48 - 3.49	17 - 20	2033 - 2036

There were no other borrowings and debt securities at the end of the reporting period.

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B8. Gains/Losses Arising from Fair Value Changes to Financial Liabilities

All financial liabilities of the Group are classified as other payables, loan and borrowings and concession lease payables.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process. In the Group, other payables are carried at amortised costs which are not materially different from the fair value.

Loan and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

B9. Material Litigation

There is no material litigation against the company as at the end of the reporting period.

B10. Dividend Proposed

- a) The Board has recommended a third interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000 in respect of the financial year ending 31 December 2021 (previous corresponding period: third interim single tier dividend of 4.00 sen per share on 460,000,000 ordinary shares amounting to RM18,400,000).
- b) The total interim single tier dividend for the current financial year is 9.00 sen per share (previous corresponding year: 8.00 sen per share).
- c) Shareholders who are on the Register of Members at the close of business on 15 December 2021 will be entitled for the dividend. The dividend payment date is 28 December 2021.

B11. Audit Report

The audit report of the previous annual financial statements for the year ended 31st December 2020 was not subject to any qualification.

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B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 29th November 2021.

BY ORDER OF THE BOARD

ROSLI BIN IDRIS
(MIA15730)
Company Secretary
Date: 30th November 2021