

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



**Unaudited Condensed Consolidated
Financial Statements
31 March 2022**

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION AS AT 31 MARCH 2022**

	31 March, 2022 (UNAUDITED) RM'000	31 December, 2021 (AUDITED) RM'000
ASSETS		
Non- current assets		
Property, plant and equipment	244,440	251,487
Right of use assets	59,907	56,073
Intangible assets	1,352,424	1,390,876
Deferred tax assets	337,598	337,367
Trade and other receivables	10,381	10,358
	2,004,750	2,046,161
Current assets		
Inventories	3,532	3,623
Tax recoverable	13,345	18,177
Trade and other receivables	95,755	87,468
Investment in securities	307,793	306,426
Cash and cash equivalents	746,921	690,409
	1,167,346	1,106,103
TOTAL ASSETS	3,172,096	3,152,264

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
 POSITION AS AT 31 MARCH 2022 (Continued)**

	31 March, 2022 (UNAUDITED)	31 December, 2021 (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	199	105
Retained earnings	826,438	799,174
Total Equity	1,717,455	1,690,097
Non-current liabilities		
Other Payables	72,851	67,209
Loan and borrowings	942,221	941,848
Lease liabilities	167,823	174,163
Provisions	55,815	27,436
	1,238,710	1,210,656
Current liabilities		
Other payables	49,538	39,072
Lease liabilities	145,648	166,805
Provisions	20,600	44,248
Income tax payable	145	1,386
	215,931	251,511
Total liabilities	1,454,641	1,462,167
TOTAL EQUITY AND LIABILITIES	3,172,096	3,152,264
NET ASSET PER SHARE (RM)	3.73	3.67

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, 2021 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME FOR THE FIRST QUARTER ENDED 31 MARCH**

	Individual quarter			Cumulative quarter		
	ending 31 March		Changes	ending 31 March		Changes
	2022 RM'000	2021 RM'000	%	2022 RM'000	2021 RM'000	%
Revenue from operations	198,105	184,800	7.20	198,105	184,800	7.20
Revenue from construction services	-	1,155	(100.00)	-	1,155	(100.00)
	198,105	185,955	6.53	198,105	185,955	6.53
Other income	1,570	311	404.82	1,570	311	404.82
Cost of construction services	-	(1,155)	(100.00)	-	(1,155)	(100.00)
Staff costs	(29,824)	(29,007)	2.82	(29,824)	(29,007)	2.82
Maintenance and operational supplies	(34,959)	(36,972)	(5.44)	(34,959)	(36,972)	(5.44)
Administrative expenses	(7,153)	(6,997)	2.23	(7,153)	(6,997)	2.23
Amortisation of Leased Concession Assets	(21,989)	(21,994)	(0.02)	(21,989)	(21,994)	(0.02)
Amortisation of Other Intangibles	(16,493)	(17,642)	(6.51)	(16,493)	(17,642)	(6.51)
Depreciation of PPE	(7,347)	(8,231)	(10.74)	(7,347)	(8,231)	(10.74)
Depreciation of Right of Use Assets	(10,034)	(9,111)	10.13	(10,034)	(9,111)	10.13
Provision for replacement cost	(1,936)	(2,562)	(24.43)	(1,936)	(2,562)	(24.43)
	(129,735)	(133,671)	(2.94)	(129,735)	(133,671)	(2.94)
Operating Profit	69,940	52,595	32.98	69,940	52,595	32.98
Finance cost	(17,479)	(18,834)	(7.19)	(17,479)	(18,834)	(7.19)
Finance income	3,764	3,637	3.49	3,764	3,637	3.49
Profit before tax	56,225	37,398	50.34	56,225	37,398	50.34
Income tax expense	(15,161)	(12,698)	19.40	(15,161)	(12,698)	19.40
Profit net of tax, representing total comprehensive income for the period	41,064	24,700	66.25	41,064	24,700	66.25
Basic earnings per share (sen)	8.93	5.37	66.25	8.93	5.37	66.25

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 2021 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 TWELVE MONTHS ENDED 31 MARCH 2022 & 31 MARCH 2021**

	Share capital RM'000	Retained Earnings RM'000	Foreign translation reserve RM'000	Total RM'000
Opening balance at 1 January, 2022	890,818	799,174	105	1,690,097
Total comprehensive income	-	41,064	-	41,064
Foreign currency translation ¹	-	-	94	94
<i>Transaction with owners</i>				
Dividend paid / payable	-	(13,800)	-	(13,800)
Closing balance at 31 March, 2022	890,818	826,438	199	1,717,455
Opening balance at 1 January, 2021	890,818	486,583	54	1,377,455
Net profit for the period	-	24,700	-	24,700
Foreign currency translation ¹	-	-	92	92
<i>Transaction with owners</i>				
Dividend payables	-	(9,200)	-	(9,200)
Closing balance at 31 March, 2021	890,818	502,083	146	1,393,047

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, 2021 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2022 & 31 MARCH 2021**

	3 months ended 31 March, 2022 RM'000	3 months ended 31 March, 2021 RM'000
Operating activities		
Profit before tax	56,225	37,398
<u>Adjustments for:</u>		
Amortisation of intangible assets	38,482	39,636
Depreciation of property, plant and equipment	7,347	8,231
Depreciation of right of use	10,034	9,111
Finance cost – Unwinding of discount	5,159	6,782
Finance cost – Borrowings	12,320	12,052
(Gain) / loss on fair value of investments in securities	(1,363)	1,227
Realised loss in foreign exchange	188	282
Provision for staff gratuities	137	-
Provision for maintenance dredging costs	7,993	12,142
Provision for replacement cost	1,936	2,562
MFRS 16 adjustment	(138)	-
Income from sublease	(172)	(175)
Dividend income from investment	(4)	(63)
Interest income	(3,591)	(3,461)
Total adjustments	78,328	88,326
Operating cash flows before changes in working capital	134,553	125,724
<u>Changes in working capital</u>		
Receivables	(1,700)	(14,913)
Payables	(14,624)	26,718
Total changes in working capital	(16,324)	11,805
Cash generated from operating activities	118,229	137,529

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2022 & 31 MARCH 2021 (Continued)

	3 months ended 31 March, 2022 RM'000	3 months ended 31 March, 2021 RM'000
Payment of concession arrangements	(36,259)	(36,236)
Payment of lease liabilities	(9,364)	(8,975)
Payment of dredging cost	(5,897)	-
Income tax paid	(11,808)	(13,310)
Staff gratuities paid	(618)	(1,084)
Cash flows from operating activities	54,283	77,924
Investing activities		
Interest received	3,176	2,994
Purchase of property, plant and equipment	(1,087)	(1,512)
Increase in intangible assets	-	(1,206)
Changes in investment in Securities	-	(69,828)
Net cash flows from / (used in) investing activities	2,089	(69,552)
Net increase in cash and cash equivalents	56,372	8,372
Effects of exchange rate changes	140	180
Cash and cash equivalents at 1 January	671,644	648,539
Cash and cash equivalents at 31 March	728,156	657,091

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
 FOR THE TWELVE MONTHS ENDED 31 MARCH 2022 & 31 MARCH 2021 (Continued)**

	3 months ended 31 March, 2022	3 months ended 31 March, 2021
	RM'000	RM'000
Cash and cash equivalents comprise:		
Deposits and REPO with licensed financial institutions	739,945	668,895
Cash and Bank Balances	6,976	6,961
	746,921	675,856
Less: Deposit with maturity period of more than 3 months	(18,765)	(18,765)
	728,156	657,091

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, 2021 and the accompanying explanatory notes attached to the interim financial statements.

**SELECTED EXPLANATORY NOTES ON QUARTERLY FINANCIAL REPORT FOR THE
FIRST QUARTER ENDED 31 MARCH 2022**

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 31 March 2022 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, 2021. 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, 2021.

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 2021.

The following pronouncements were issued by the MASB and are to become effective for annual periods beginning on or after 1 January 2022:

- Amendments to MFRS 16: Covid-19 – Related Rent Concessions
- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 – 2020
- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Insurance Contracts

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A3. Significant Accounting Policies (Continued)

- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Disclosure of Accounting Policies
- Amendments to MFRS 108: Definition of Accounting Estimates
- Amendments to MFRS 112: Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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

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.

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A6. Segmental Reporting (Continued)

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.

3 months ended 31 March 2022	Port Operation RM'000	Bulking Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
Revenue:					
External customers	188,312	9,793	-	-	198,105
Inter-segment	2,714	1,352	42,443	(46,509)	-
Total revenue	<u>191,026</u>	<u>11,145</u>	<u>42,443</u>	<u>(46,509)</u>	<u>198,105</u>
Results:					
Segment profit	<u>54,811</u>	<u>4,177</u>	<u>30,558</u>	<u>(33,321)</u>	<u>56,225</u>
Assets:					
Segment assets	<u>2,830,446</u>	<u>177,569</u>	<u>1,258,619</u>	<u>(1,094,538)</u>	<u>3,172,096</u>
Liabilities:					
Segment liabilities	<u>1,447,381</u>	<u>32,570</u>	<u>31,746</u>	<u>(57,056)</u>	<u>1,454,641</u>

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A6. Segmental Reporting (Continued)

3 months ended 31 March 2021	Port Operation RM'000	Bulking Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
Revenue:					
External customers	176,255	9,700	-	-	185,955
Inter-segment	2,610	1,129	46,856	(50,595)	-
Total revenue	<u>178,865</u>	<u>10,829</u>	<u>46,856</u>	<u>(50,595)</u>	<u>185,955</u>
Results:					
Segment profit	<u>33,450</u>	<u>4,207</u>	<u>36,044</u>	<u>(36,303)</u>	<u>37,398</u>
Assets:					
Segment assets	<u>2,690,714</u>	<u>178,161</u>	<u>1,199,863</u>	<u>(1,098,418)</u>	<u>2,970,320</u>
Liabilities:					
Segment liabilities	<u>1,574,997</u>	<u>36,777</u>	<u>27,863</u>	<u>(62,364)</u>	<u>1,577,273</u>

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.

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A9. Tax Expense

i. Tax expense comprises:

	Current year quarter 31 March 2022 RM'000	Current year to date 31 March 2022 RM'000
Current tax expense	15,389	15,389
Deferred tax	(228)	(228)
	15,161	15,161

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.

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 31 March		Current year-to-date 31 March	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Net profit attributable to shareholders (RM'000)	41,064	24,700	41,064	24,700
Number of ordinary shares in issue ('000)	460,000	460,000	460,000	460,000
Basic earnings per share (sen)	8.93	5.37	8.93	5.37

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A11. Dividends Paid

There was no dividend paid during the quarter under review.

The fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000 for the financial year ended 31 December 2021 was paid on 14 April 2022.

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. Significant Events

The concession period of Bintulu Port Sdn. Bhd. (BPSB) under the Privatisation Agreement will end on 31st December 2022. The Government through Unit Kerjasama Awam Swasta (UKAS) vide letter dated 8 October 2014 had in principle approved the extension of concession for BPSB to operate Bintulu Port for another 30 years (2023 - 2052) subject to the terms and conditions to be agreed upon by the parties.

The parties are in the midst of negotiating the terms and conditions of the new concession agreement.

A14. Subsequent Events

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

A15. Valuation of Property, Plant and Equipment

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

A16. Contingent Liabilities or Contingent Assets

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

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A17. 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.

A18. Commitments

As at 31 March 2022, the commitments were as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment / Intangible assets	33,961
Approved but not contracted for :	
Property, plant and equipment / Intangible assets	2,590
	36,551

A19. Significant Related Party Transactions

	Current year quarter 31 March 2022 RM'000	Current year- to-date 31 March 2022 RM'000
a) Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:		
<u>Rendering of services:</u>		
Malaysia LNG Sdn.Bhd	37,523	37,523
Petronas Carigali Sdn. Bhd.	2,089	2,089
Petronas Dagangan Berhad	549	549
Petronas Chemical Marketing (L) Ltd	88	88
Vestigo Petroleum Sdn. Bhd.	49	49

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A19. Significant Related Party Transactions (Continued)

	Current year quarter 31 March 2022 RM'000	Current year- to-date 31 March 2022 RM'000
b) Transactions with subsidiaries of a substantial shareholder, State Financial Secretary (Sarawak Government):		
<u>Purchases of fuel and lubricants:</u>		
Petronas Dagangan Berhad	(4,673)	(4,673)
<u>Purchases of gas fuel:</u>		
Petroleum Sarawak Berhad	(632)	(632)

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 31 March		Changes %	Cumulative quarter ending 31 March		Changes %
	2022 RM'000	2021 RM'000		2022 RM'000	2021 RM'000	
Revenue from operations	198,105	184,800	7.20	198,105	184,800	7.20
Revenue from construction services	-	1,155	(100.00)	-	1,155	(100.00)
	198,105	185,955	6.53	198,105	185,955	6.53
Other income	1,570	311	404.82	1,570	311	404.82
Cost of construction services	-	(1,155)	(100.00)	-	(1,155)	(100.00)
Operating expenses	(71,936)	(72,976)	(1.42)	(71,936)	(72,976)	(1.42)
Amortisation of Leased Concession Assets	(21,989)	(21,994)	(0.02)	(21,989)	(21,994)	(0.02)
Amortisation of Other Intangibles	(16,493)	(17,642)	(6.51)	(16,493)	(17,642)	(6.51)
Depreciation of PPE	(7,347)	(8,231)	(10.74)	(7,347)	(8,231)	(10.74)
Depreciation of Right of Use Assets	(10,034)	(9,111)	10.13	(10,034)	(9,111)	10.13
Provision for replacement cost	(1,936)	(2,562)	(24.43)	(1,936)	(2,562)	(24.43)
	(129,735)	(133,671)	(2.94)	(129,735)	(133,671)	(2.94)
Operating Profit	69,940	52,595	32.98	69,940	52,595	32.98
Finance cost	(17,479)	(18,834)	(7.19)	(17,479)	(18,834)	(7.19)
Finance income	3,764	3,637	3.49	3,764	3,637	3.49
Profit before tax	56,225	37,398	50.34	56,225	37,398	50.34

Quarter Ended 31 March 2022 compared to Quarter Ended 31 March 2021

The Group registered a profit before taxation amounting to RM56.22 million in the current quarter against RM37.40 million achieved in the preceding year corresponding quarter.

The Group's operating revenue of RM198.10 million for the current quarter is higher by RM13.30 million (7.20%) compared to RM184.80 million achieved in the corresponding quarter. The revenue recorded from port's services at Bintulu Port is RM146.41 million in Q1 2022 as compared to RM142.46 million achieved in Q1 2021. The revenue generated from the operation at Samalaju Industrial Port during the quarter under review is RM41.90 million against RM32.64 million in corresponding year quarter. The revenue from bulking facilities is RM9.79 million as against RM9.70 million in Q1 2021.

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B1. Review of Performance (Continued)

No revenue from construction services for concession infrastructure was recognized in Q1 2022 whilst RM1.16 million was recognized in Q1 2021. There were no cost of construction for concession recognized for the quarter under review. This is recognition of revenue and expenditure under IC Interpretation 12: Service Concession Arrangements.

The expenditure during the quarter under review of RM147.21 million is lower by RM4.14 million compared to Q1 2021 of RM151.35 million mainly due to lower provision for maintenance dredging and lower maintenance cost.

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

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

	Current Quarter Ended 31 March 2022 RM'000	Preceding Quarter Ended 31 December 2021 RM'000	Changes %
Revenue from operations	198,105	189,300	4.65
Revenue from construction services	-	3,828	(100.00)
	198,105	193,128	2.58
Other income	1,570	369	(325.47)
Cost of construction services	-	(3,828)	(100.00)
Operating expenses	(71,936)	(80,322)	(10.44)
Amortisation of Leased Concession Assets	(21,989)	(21,904)	0.39
Amortisation of Other Intangibles	(16,493)	(17,908)	(7.90)
Depreciation of PPE	(7,347)	(9,200)	(20.14)
Depreciation of Right of Use Assets	(10,034)	(9,152)	(9.64)
Provision for replacement cost	(1,936)	(3,020)	(35.89)
	(129,735)	(145,334)	(10.73)
Operating profit	69,940	48,163	45.21
Finance cost	(17,479)	(17,834)	(1.99)
Finance income	3,764	3,769	(0.13)
Profit before taxation	56,225	34,098	64.89

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

The pre-tax profit for the fourth quarter of 2021 amounting to RM56.22 million is higher compared to RM34.10 million achieved in the preceding quarter.

The Group's operating revenue is higher by RM8.80 million from RM189.30 million achieved in Q4 2021 to RM198.10 million in Q1 2022 mainly due to higher revenue generated from the services rendered from the handling of cargoes and vessel calls on LNG at Bintulu Port. Revenue contribution from the handling of cargoes and vessel calls at Bintulu Port in Q1 2022 is RM146.41 million as against RM140.63 million in Q4 2021. Revenue at Samalaju Industrial Port is higher by RM5.15 million from RM36.75 million in Q4 2021 to RM41.90 million in Q1 2022. The revenue from the bulking services is lower by RM2.13 million from RM11.92 million in Q4 2021 to RM9.79 million in Q1 2022.

No revenue from or cost of construction services on concession infrastructure were recognized in Q1 2022. In Q4 2021, RM3.83 million were recognised on revenue from or cost of construction services on concession infrastructure.

The expenditure during the quarter under review is lower by RM12.13 million from RM159.34 million in Q4 2021 to RM147.21 million in Q1 2022 mainly due to timing of expenditure being incurred.

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

B3. Current Year's Prospects

In the Year 2022, the Group expects to have positive momentum on cargo throughput from LNG, Palm Oil, Container and Dry Bulk sectors due to the relaxation in the standard operating procedures (SOP) relating to Covid-19 in most countries and also based on the assumption the global economy continues to gradually recover from the effects of the Covid-19 pandemic. Despite this, the Group will continue to be vigilant with the current situation arising from the Russia-Ukraine conflict.

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.

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B6. Corporate Proposals

There were no corporate proposals announced during the reporting date.

B7. Loans and Borrowings

Maturity	Current year quarter 31 March 2022 RM'000	Current year quarter 31 March 2021 RM'000
Non-current		
<u>Unsecured:</u>		
Sukuk Murabahah	942,221	940,710

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 first interim single tier dividend of 5.00 sen per share on 460,000,000 ordinary shares, amounting to RM23,000,000 in respect of the financial year ending 31 December 2022 (previous corresponding period: first interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares amounting to RM13,800,000).
- b) The total interim single tier dividend for the current financial year is 5.00 sen per share (previous corresponding year: 3.00 sen per share).
- c) Shareholders who are on the Register of Members at the close of business on 15th July 2022 will be entitled for the dividend. The dividend payment date is 2nd August 2022.

B11. Audit Report

The audit report of the previous annual financial statements for the year ended 31st December 2021 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 26th May 2022.

BY ORDER OF THE BOARD

ROSLI BIN IDRIS
(MIA15730)
Company Secretary
Date: 27th May 2022