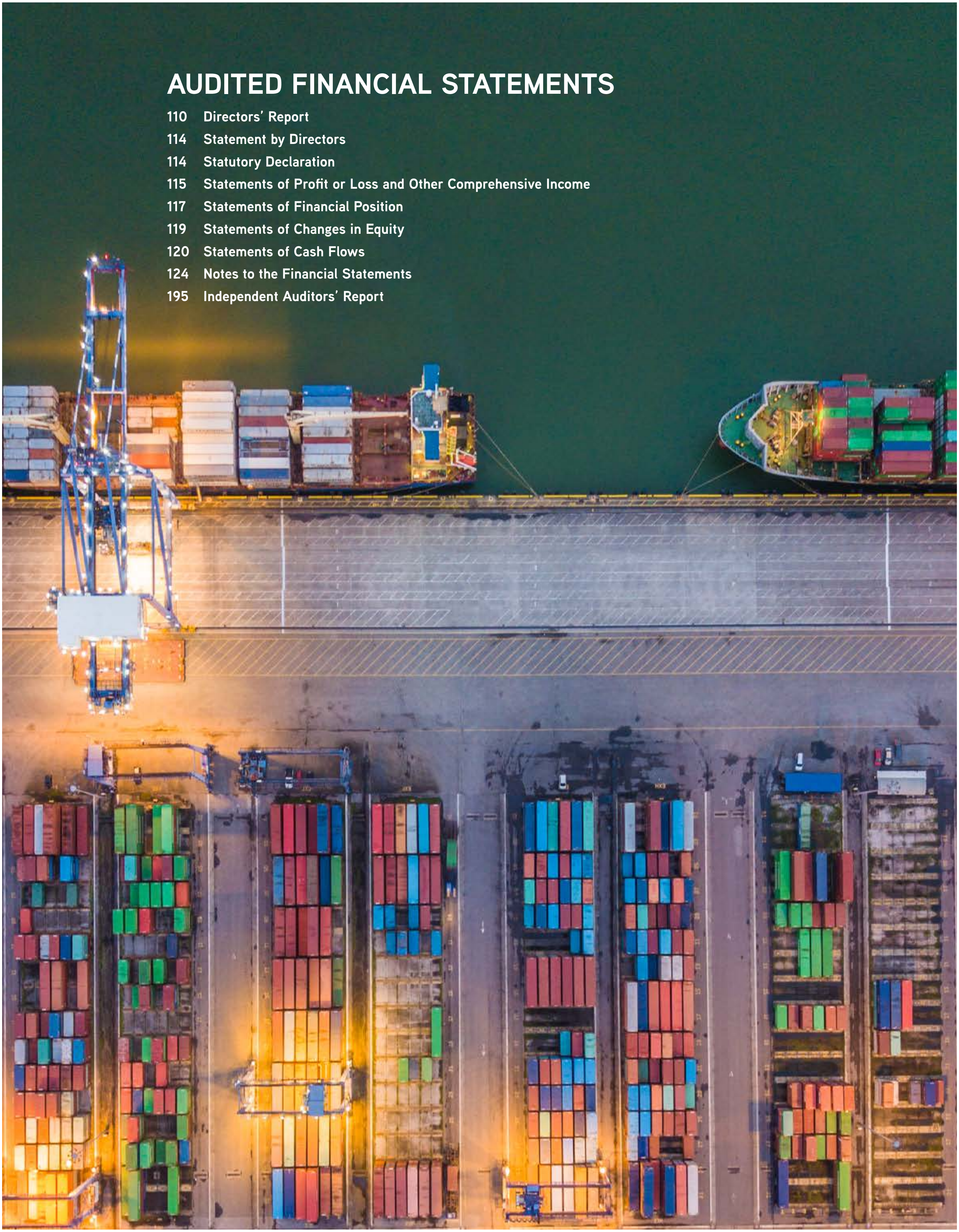

AUDITED FINANCIAL STATEMENTS

DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and provision of management services.

The principal activities of the subsidiaries are set out in Note 15 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	363,191	115,558
Profit attributable to:		
Equity holders of the parent	363,191	115,558

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividends paid by the Company since 31 December 2020 were as follows:

In respect of the financial year ended 31 December 2020 as reported in the Directors' report of that year:

	RM'000
Fourth interim single tier dividend of 2.00 sen per share on 460,000,000 ordinary shares, paid on 15 April 2021	9,200

DIVIDENDS (CONTINUED)

In respect of the financial year ended 31 December 2021:

	RM'000
First interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 3 August 2021	13,800
Second interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 7 October 2021	13,800
Third interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 28 December 2021	13,800
	50,600

The Directors have authorised on 24 February 2022 the payment of a fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000, which will be paid on 14 April 2022 to shareholders registered on the Company's Register of Members at the close of business on 25 March 2022. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

DIRECTORS

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Dato' Abdul Mutalib bin Alias	(Appointed on 1.5.2021)
Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani	
Dato Sri Fong Joo Chung	
Datuk Nasarudin bin Md Idris	
Dato' Sri Mohamed Khalid bin Yusuf @ Yusup	
Datuk Yasmin binti Mahmood	
Datuk Nozirah binti Bahari	
Dr. Salihin bin Abang	
Mohamed Syazwan bin Abdullah @ Laga	(Appointed on 1.7.2021)
Hasmawati Binti Sapawi	(Appointed on 1.8.2021)
Tan Sri Dr. Ismail bin Hj. Bakar	(Resigned on 1.5.2021)
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)	(Resigned on 1.8.2021)
Dzafri Sham bin Ahmad	(Resigned on 1.7.2021)
Zakiah binti Jaafar	(Resigned on 9.3.2022)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which a Director is a member or with a company in which a Director has a substantial financial interest.

INDEMNITIES TO DIRECTORS AND OFFICERS

During the financial year, the Group maintained a Directors' and Officers' Liability Insurance in accordance with Section 289 of the Companies Act 2016. The total insured limit for the Directors' and Officers' Liability Insurance is RM50 million per occurrence or in the aggregate. The annual insurance premium paid is RM63,000.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, none of the Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

ISSUE OF SHARES

There were no changes in the issued and paid up capital of the Company during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that no allowance for doubtful debts was necessary; and

  (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

  (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

  (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (CONTINUED)

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:

  (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or the Company to meet their obligations when they fall due; and

  (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remunerations are disclosed in Note 8 to the financial statements.

Any indemnity to or insurance effected for the auditors of the Company is to be made to the extent as permitted under Section 289 of the Companies Act 2016. No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 17 March 2022.

Dato' Abdul Mutalib bin Alias

Dato Sri Fong Joo Chung

STATEMENT BY DIRECTORS

Pursuant to Section 251 (2) of the Companies Act 2016

We, **Dato' Abdul Mutalib bin Alias** and **Dato Sri Fong Joo Chung**, being two of the Directors of **Bintulu Port Holdings Berhad**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 115 to 194 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 17 March 2022.

Dato' Abdul Mutalib bin Alias

Dato Sri Fong Joo Chung

STATUTORY DECLARATION

Pursuant to Section 251 (1)(b) of the Companies Act 2016

I, **Daiana Luna Suip (CA 16050)**, being the Officer primarily responsible for the financial management of **Bintulu Port Holdings Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 115 to 194 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed **Daiana Luna Suip** at
Bintulu in the State of Sarawak on
17 March 2022

Daiana Luna Suip

Before me,

Magdalene Lucas
Q 082
Commissioner For Oaths

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from port services rendered	4	**671,059**	645,339	**-**	-
Revenue from construction services for concession infrastructure	4	**6,867**	8,392	**-**	-
Revenue from bulking services	4	**37,813**	40,615	**-**	-
Dividend income from subsidiaries	4	**-**	-	**122,200**	125,200
Management fee charged to subsidiaries	4	**-**	-	**41,534**	43,416
Rental income	4	**19,515**	21,358	**-**	-
		735,254	715,704	**163,734**	168,616
Other income	5	**16,362**	13,288	**3,099**	2,198
Cost of construction services	6	**(6,867)**	(8,392)	**-**	-
Employee benefit expenses	7	**(129,492)**	(128,869)	**(38,125)**	(36,459)
Depreciation of property, plant and equipment	13	**(34,808)**	(33,860)	**(793)**	(716)
Depreciation of right-of-use assets	14	**(36,635)**	(29,977)	**-**	-
Amortisation of intangible assets	16	**(158,859)**	(152,988)	**(341)**	(342)
Charter hire of vessels		**(4,546)**	(8,310)	**-**	-
Maintenance dredging costs	25	**(27,434)**	(36,399)	**-**	-
Fuel, electricity and utilities		**(23,191)**	(19,415)	**(43)**	(47)
Insurance expenses		**(4,102)**	(3,467)	**(95)**	(84)
Repair and maintenance		**(45,499)**	(40,941)	**(784)**	(454)
Replacement obligations	25	**(8,863)**	(5,006)	**-**	-
Service contracts		**(44,161)**	(40,973)	**-**	-
Other expenses	8	**(41,257)**	(37,752)	**(13,105)**	(15,825)
Total expenses		**(565,714)**	(546,349)	**(53,286)**	(53,927)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021 (Continued)

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Operating profit		**185,902**	182,643	**113,547**	116,887
Finance costs	9	**(74,282)**	(75,176)	**-**	-
Finance income	5	**14,695**	19,199	**2,011**	1,299
Profit before tax		**126,315**	126,666	**115,558**	118,186
Income tax credit/(expense)	11	**236,876**	(33,365)	**-**	-
Profit net of tax, representing total comprehensive income for the year		**363,191**	93,301	**115,558**	118,186
Other comprehensive income					
Other comprehensive income that will be reclassified to profit or loss in subsequent periods:					
Foreign currency translation		**51**	54	**-**	-
Other comprehensive income for the year		**51**	54	**-**	-
Total comprehensive income for the year		**363,242**	93,355	**115,558**	118,186
Profit attributable to:					
Equity holders of the parent		**363,191**	93,301	**115,558**	118,186
Earnings per share					
Basic (sen)	12	**78.95**	20.28		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Assets					
Non-current assets					
Property, plant and equipment	13	**251,487**	273,352	**4,528**	4,183
Right-of-use assets	14	**56,073**	92,336	**-**	-
Investment in subsidiaries	15	**-**	-	**1,051,900**	1,051,900
Intangible assets	16	**1,390,876**	1,532,213	**1,578**	1,512
Deferred tax assets	17	**337,367**	58,857	**-**	-
Trade and other receivables	18	**10,358**	10,269	**-**	-
		2,046,161	1,967,027	**1,058,006**	1,057,595
Current assets					
Inventories		**3,623**	3,705	**-**	-
Tax recoverable		**18,177**	2,794	**-**	-
Trade and other receivables	18	**87,468**	82,404	**10,244**	2,337
Investment in securities	19	**306,426**	229,902	**30,971**	22,220
Cash and bank balances	20	**690,409**	667,304	**130,415**	84,007
		1,106,103	986,109	**171,630**	108,564
Total assets		**3,152,264**	2,953,136	**1,229,636**	1,166,159
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	21	**890,818**	890,818	**890,818**	890,818
Foreign currency translation reserve		**105**	54	**-**	-
Retained earnings	36	**799,174**	486,583	**319,295**	254,337
Total equity		**1,690,097**	1,377,455	**1,210,113**	1,145,155

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021 (Continued)

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current liabilities					
Other payables	22	**67,209**	59,906	**14,528**	16,123
Loans and borrowings	23	**941,848**	940,338	**-**	-
Lease liabilities	24	**174,163**	325,860	**-**	-
Provisions	25	**27,436**	17,622	**-**	-
		1,210,656	1,343,726	**14,528**	16,123
Current liabilities					
Other payables	22	**39,072**	38,513	**4,995**	4,881
Lease liabilities	24	**166,805**	170,627	**-**	-
Provisions	25	**44,248**	19,453	**-**	-
Income tax payable		**1,386**	3,362	**-**	-
		251,511	231,955	**4,995**	4,881
Total liabilities		**1,462,167**	1,575,681	**19,523**	21,004
Total equity and liabilities		**3,152,264**	2,953,136	**1,229,636**	1,166,159

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Note	Share Capital RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000	Equity Total RM'000
Group					
2021					
At 1 January 2021		**890,818**	**54**	**486,583**	**1,377,455**
Total comprehensive income		**-**	**51**	**363,191**	**363,242**
Transactions with owners					
Dividends on ordinary shares	26	**-**	**-**	**(50,600)**	**(50,600)**
At 31 December 2021		**890,818**	**105**	**799,174**	**1,690,097**
2020					
At 1 January 2020		890,818	-	439,282	1,330,100
Total comprehensive income		-	54	93,301	93,355
Transactions with owners					
Dividends on ordinary shares	26	-	-	(46,000)	(46,000)
At 31 December 2020		890,818	54	486,583	1,377,455

	Note	Share Capital RM'000	Retained Earnings RM'000	Equity Total RM'000
Company				
2021				
At 1 January 2021		**890,818**	**254,337**	**1,145,155**
Total comprehensive income		**-**	**115,558**	**115,558**
Transactions with owners				
Dividends on ordinary shares	26	**-**	**(50,600)**	**(50,600)**
At 31 December 2021		**890,818**	**319,295**	**1,210,113**
2020				
At 1 January 2020		890,818	182,151	1,072,969
Total comprehensive income		-	118,186	118,186
Transactions with owners				
Dividends on ordinary shares	26	-	(46,000)	(46,000)
At 31 December 2020		890,818	254,337	1,145,155

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Operating activities					
Profit before tax		**126,315**	126,666	**115,558**	118,186
Adjustments for:					
Amortisation of intangible assets	16	**158,859**	152,988	**341**	342
Derecognition upon financial liabilities reassessment	16	**794**	-	**-**	-
Depreciation of property, plant and equipment	13	**34,808**	33,860	**793**	716
Depreciation of right-of-use assets	14	**36,635**	29,977	**-**	-
Finance costs	9	**74,282**	75,176	**-**	-
Bad debts written off	8	**391**	-	**-**	-
Inventories written off	8	**-**	170	**-**	-
Net (gain)/loss on disposal of property, plant and equipment	5, 8	**(1)**	(315)	**-**	13
Dividend income from subsidiaries	4	**-**	-	**(122,200)**	(125,200)
Dividend income from unit trust	5	**(15,190)**	(9,989)	**(1,683)**	(843)
Interest income	5	**(14,695)**	(19,199)	**(2,011)**	(1,299)
Guarantee fee income	5	**-**	-	**(1,411)**	(1,339)
Gain in derecognition of right-of-use asset	5	**-**	(650)	**-**	-
Fair value loss/(gain) on investments in securities	8, 5	**8,062**	(1,240)	**912**	570
Staff gratuities	22	**-**	1,001	**-**	-
Provision for maintenance dredging costs	25	**27,434**	36,399	**-**	-
Provision for replacement obligations	25	**8,863**	5,006	**-**	-
Unrealised loss/(gain) in foreign exchange	8, 5	**147**	(10)	**-**	-
Directors' gratuities	22	**201**	229	**201**	229
Revisions on charter hire	24 (ii)	**(850)**	-	**-**	-
MFRS 16 adjustment	24 (i)	**(13)**	-	**-**	-
Total adjustments		**319,727**	303,403	**(125,058)**	(126,811)

STATEMENTS OF CASH FLOWS
For the year ended 31 December 2021 (Continued)

		Group		Company	
		2021	2020	2021	2020
	Note	RM'000	RM'000	RM'000	RM'000
Operating profit before working capital		**446,042**	430,069	**(9,500)**	(8,625)
Changes in working capital					
Decrease in inventories		**82**	127	**-**	-
(Increase)/Decrease in trade and other receivables		**(4,185)**	7,947	**94**	71
Decrease/(increase) in other current assets		**566**	7,327	**(14)**	113
(Decrease)/increase in other payables		**(1,010)**	(12,969)	**468**	(529)
Net change in subsidiaries balances		**-**	-	**(8,311)**	9,551
Payment of maintenance dredging	25	**(3,846)**	(56,991)	**-**	-
Total changes in working capital		**(8,393)**	(54,559)	**(7,763)**	9,206
Cash flows generated from/(used in) operations		**437,649**	375,510	**(17,263)**	581
Directors' gratuities paid	22	**(385)**	(332)	**(385)**	(332)
Income tax paid, net refunded		**(59,005)**	(43,520)	**-**	-
Staff gratuities paid	22	**(4,190)**	(5,170)	**-**	-
Net cash flows generated from/(used in) operating activities		**374,069**	326,488	**(17,648)**	249

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2021 (Continued)

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Investing activities					
Interest received		**13,906**	20,056	**1,980**	1,256
Acquisition of property, plant and equipment	13	**(12,866)**	(10,476)	**(1,138)**	(818)
Increase in intangible assets	16	**(9,345)**	(9,390)	**(406)**	-
Proceeds from disposal of property, plant and equipment		**5**	358	**-**	1
Purchase of investment in securities		**(69,395)**	(93,821)	**(7,980)**	(21,947)
Net dividends received		**-**	-	**122,200**	125,200
Net movement in fixed deposits with maturity more than 3 months		**-**	(5)	**-**	-
Net cash flows (used in)/generated from investing activities		**(77,695)**	(93,278)	**114,656**	103,692
Financing activities					
Dividends paid	26	**(50,600)**	(46,000)	**(50,600)**	(46,000)
Profit expense paid on Sukuk	23	**(37,630)**	(37,527)	**-**	-
Interest paid on lease liabilities	24(i),(ii)	**(21,430)**	(23,619)	**-**	-
Payment of principal portion of lease liabilities	24(i),(ii)	**(163,724)**	(153,487)	**-**	-
Net cash flows used in financing activities		**(273,384)**	(260,633)	**(50,600)**	(46,000)
Net increase/(decrease) in cash and cash equivalents		**22,990**	(27,423)	**46,408**	57,941
Effects of exchange rate changes		**115**	18	**-**	-
Cash and cash equivalents at beginning of the year		**648,539**	675,944	**84,007**	26,066
Cash and cash equivalents at end of the year	20	**671,644**	648,539	**130,415**	84,007

STATEMENTS OF CASH FLOWS
For the year ended 31 December 2021 (Continued)

Changes in liabilities arising from financing activities

	1 January RM'000	Effect of Accrued Interest RM'000	New leases RM'000	Cashflows RM'000	Reclassification RM'000	Exchanges Differences RM'000	31 December RM'000
Group							
For year ended 31 December 2021							
Current lease liabilities	**170,627**	**-**	**9,468**	**(179,298)**	**166,431**	**(423)**	**166,805**
Non-current lease liabilities	**325,860**	**21,721**	**-**	**(5,856)**	**(167,562)**	**-**	**174,163**
Non-current interest-bearing borrowings (excluding lease liabilities)	**940,338**	**50,389**	**-**	**(37,630)**	**(11,249)***	**-**	**941,848**
	1,436,825	**72,110**	**9,468**	**(222,784)**	**(12,380)**	**(423)**	**1,282,816**
For year ended 31 December 2020							
Current lease liabilities	138,861	-	17,769	(171,241)	185,203	35	170,627
Non-current lease liabilities	452,780	23,619	40,529	(5,865)	(185,203)	-	325,860
Non-current interest-bearing borrowings (excluding lease liabilities)	938,827	50,523	-	(37,527)	(11,485)*	-	940,338
	1,530,468	74,142	58,298	(214,633)	(11,485)	35	1,436,825

* Reclassification relates to unpaid accrued interest reclassed to other payables.

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

1. CORPORATE INFORMATION

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

The registered office and principal place of business of the Company is located at Lot 15, Block 20, Kemena Land District, 12th Mile, Tanjung Kidurong Road, 97000 Bintulu, Sarawak.

The principal activity of the Company is investment holding and provision of management services.

The principal activities of the subsidiaries are set out in Note 15 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have also been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021

The adoption of these amendments did not have any material effect on the financial performance or position of the Group and the Company.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: Covid-19-Related Rent Concessions	1 April 2021
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors do not expect any material impact from the adoption of the above standards in the period of initial application.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full except for unrealised losses, which are not eliminated when there are indications of impairment.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Basis of consolidation (Continued)

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed off and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

2.5 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over investee to affect its returns. In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Service concession arrangements

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction services. Financial assets are accounted for in accordance with the accounting policy set out in Note 2.12.

The Group recognises the consideration receivable as an intangible asset to the extent that it receives a right to charge users of the public service. Intangible assets are accounted for in accordance with the accounting policy set out in Note 2.7.

Subsequent costs and expenditures related to infrastructure and equipment arising from the Group's commitments to the concession contracts or that increase future revenue are recognised as additions to the intangible asset and are stated at cost. Assets for which the residual interest is not transferred to the grantor at the end of concession are recognised as property, plant and equipment, and accounted for in accordance with the policy stated under property, plant and equipment in Note 2.8. When the Company has contractual obligations that it must fulfill as a condition of its license to: a) maintain the infrastructure to a specified standard or, b) to restore the infrastructure when the infrastructure has deteriorated below a specified condition, it recognises and measures these contractual obligations in accordance with the accounting policy for provisions in Note 2.16. Repairs and maintenance and other expenses that are routine in nature are expensed off and recognised in the profit or loss as incurred.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Intangible assets

(a) Concession intangible assets

According to IC12: Service Concession Arrangements, where the grantor controls significant residual interest in the assets at the end of the concession term through ownership, beneficial entitlement or otherwise, these assets are intangible assets i.e., the licence to operate the port.

A concession intangible asset is measured at the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered. Concession intangible assets are amortised using straight-line method of amortisation over the concession period.

(b) Goodwill on acquisition of a subsidiary

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative fair values of the operations disposed off and the portion of the cash-generating unit retained.

(c) Software

Software acquired separately is measured on initial recognition at cost. Software has a finite useful life and is stated at cost less accumulated amortisation and impairment losses.

Software is amortised on a straight line basis over its estimated useful life of ten years.

The policy for the recognition and measurement of impairment losses is in accordance with Note 2.11. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Depreciation for other property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Building and bulking facilities	9 - 25 years
Machinery and equipment	5 - 14 years
Motor vehicles	7 years
Office furniture, fittings and equipment	3 - 10 years
Vessels	10 - 20 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.9 Inventories

Inventories consist of consumables and are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average cost formula. Cost includes all incidentals incurred in bringing the inventories in store.

2.10 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Foreign currency (Continued)

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

2.11 Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ('CGU')).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the units or groups of units on a pro-rata basis.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Impairment of non-financial assets (Continued)

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of business model.

The Group's and Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual costs held while financial asset classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial Instruments (Continued)

(i) Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial Instruments (Continued)

(i) Financial assets (Continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial Instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

The Group and the Company consider a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of those measured subsequently at amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Group and the Company that are not designated as hedging instruments in hedge relationships.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated only if the criteria in MFRS 9: Financial Instruments are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial Instruments (Continued)

(ii) Financial liabilities (Continued)

Subsequent measurement (Continued)

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(iii) Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13 Revenue

(a) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and exclude amounts collected on behalf of third parties. The Group and the Company recognise revenue when or as it transfers control over a service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

An entity transfers control of service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

i. the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs; or

ii. the entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or

iii. the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Revenue (Continued)

(a) Revenue from contracts with customers (Continued)

If a performance obligation is not satisfied over time in accordance with the above criteria, an entity satisfies the performance obligation and recognises revenue at a point in time.

Revenue from port services rendered is recognised when or as the control of the services is transferred to the customers.

Revenue from marine services such as towing, pilotage and mooring services is recognised upon completion of the services.

Revenue from cargo handling services is recognised and accrued with reference to the throughput handled and the terms of agreements of such services.

Revenue from berth occupancy or port facilities are recognised over time.

The value of tangible assets constructed on behalf of the concession grantor is recognised as revenue.

(b) Revenue from other sources

Revenue from other sources is recognised as follows:

(i) Management fees

Management fees are recognised as services are rendered.

(ii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

2.14 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Income taxes (Continued)

(b) Deferred tax (Continued)

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plan

The Group and the Company participate in the national pension scheme as defined by the laws of the country in which it has operations. The Group and the Company make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(c) Defined benefit plan

Bintulu Port Sdn. Bhd., a subsidiary of the Group operated an unfunded, defined Retirement Benefit Scheme for its employees. Effective 1 January 2014, the subsidiary offered new benefit terms to eligible employees under its existing Retirement Benefit Scheme. The link of past service benefit to the last drawn salary is broken and instead is linked to EPF dividend rate declared annually.

Based on the standard, the expected future payments take into consideration an estimate of expected future salary increases (taking into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market). However, as the new scheme freeze the salary factor in the expected future payment, the subsidiary would not need to estimate the expected future salary increase, the probability that the employee may leave the entity at an earlier or later date, disability and early retirement, mortality.

The subsidiary would need to determine the appropriate discount rate to present value the expected future payments. The rate used to discount post-employment benefit obligations should reflect the time value of money and normally determined by reference to market yields at the balance sheet date on high quality corporate bonds.

2.16 Provisions

A provision is recognised if, as a result of a past event, the Group or the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future net cash flows at a pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the accretion in the provision due to the passage of time is recognised as finance cost.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group and of the Company, are not recognised in the financial statements but are disclosed as contingent liabilities unless the possibility of an outflow of economic resources is considered remote.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, short term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.18 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.19 Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group and Company as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold land — 30 years
- Vessels — 2 - 10 years

If ownership of the leased asset transfers to the Group or the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (Continued)

Group and Company as a lessee (Continued)

(b) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group or the Company and payments of penalties for terminating the lease, if the lease term reflects the Group or the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Company also apply the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group and Company as a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group has also entered into a sub-lease arrangement, which has been classified as a finance lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers' report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.21 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.22 Fair value measurements

The Group and the Company measure financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Fair value measurements (Continued)

All assets and liabilities for which fair values are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities; or
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; or
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

2.23 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Critical judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Company's accounting policies which may have significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment assessment of (i) Impairment of concession intangible assets and (ii) investment in a subsidiary, Samalaju Industrial Port Sdn. Bhd. ("SIPSB")

(i) Impairment of concession intangible assets for SIPSB

The Group assesses concession intangible assets at the end of each reporting period when there is an indication that an asset may be impaired by comparing its carrying amount with its recoverable amount. This requires an estimation of the recoverable amount by estimating the value-in-use of the cash-generating unit ("CGU"). Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are disclosed in Note 16.

(ii) Investment in a subsidiary, SIPSB

When impairment assessment as described in Note 3.2 (a)(i) is required then it indicates the carrying amount of investment in SIPSB may also be impaired. Considering SIPSB's underlying assets comprise the concession intangible assets as stated in (i), the management estimated the recoverable amount of the investment by using the same estimated future cash flows. Further details are disclosed in Note 15.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

(b) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future profits together with future planning strategies.

The carrying amount of the Group's deferred tax assets at the reporting date is disclosed in Note 17.

(c) Provision for maintenance dredging

In accordance with IC Interpretation 12 *Service Concession Agreements* ("IC 12"), where the operator has an obligation to maintain the infrastructure to a specified level of serviceability, the contractual obligations should be measured in accordance with MFRS 137: *Provisions, Contingent Liabilities and Contingent Assets*.

To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the Group takes into consideration factors such as past historical experience and other available information.

(d) Provision for replacement cost

In order to carry out the port services, the Company has the obligation to replace the moveable assets during the concession period. Therefore, a provision for replacement cost shall be recognised and measured in accordance with MFRS 137: *Provisions, Contingent Liabilities and Contingent Assets*.

To determine whether it is probable that an outflow of resources will be required to replace the moveable assets and the reliable amount of estimates can be made, the Company takes into consideration factors such as the expected timing of the replacement, past historical experience and other available information.

4. REVENUE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers				
- Revenue from port services rendered	**671,059**	645,339	**-**	-
- Revenue from construction services for concession infrastructure	**6,867**	8,392	**-**	-
- Revenue from bulking services	**37,813**	40,615	**-**	-
	715,739	694,346	**-**	-
Revenue from other source:				
- Management fee charged to subsidiaries	**-**	-	**41,534**	43,416
- Dividend income from subsidiaries	**-**	-	**122,200**	125,200
- Rental income	**19,515**	21,358	**-**	-
	19,515	21,358	**163,734**	168,616
	735,254	715,704	**163,734**	168,616

Revenue from port services and bulking services is accounted for in accordance with MFRS 15: *Revenue from contracts with customers*.

Revenue from rental income is accounted for in accordance with MFRS 16: *Leases*.

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Timing of revenue recognition:				
- Over time	**359,539**	336,122	**-**	-
- Point in time	**356,200**	358,224	**-**	-
	715,739	694,346	**-**	-

The information regarding trade receivables and contract balances is disclosed in Note 18.

Nature of goods and services
Provision of port services and bulking services.

4. REVENUE (CONTINUED)

Timing of recognition or method used to recognise revenue
Revenue from port and bulking operations is recognised on an accrual basis when the services are performed.

Significant payment terms
Credit period from 15 to 45 days from the invoice date.

Provision of port services

a) Bintulu Port Sdn. Bhd. ("BPSB")
The variable element in consideration is contingent upon or affected by certain customers achieving target cargo volumes as stated in the contracts.

b) Samalaju Industrial Port Sdn. Bhd. ("SIPSB")
There are no variable elements in consideration.

There are no obligation for returns or refunds nor warranty in the provision of port services.

Provision of bulking services
The variable element in consideration is contingent upon or affected by certain customers achieving the minimum throughput as stated in the contracts.

Transaction price allocated to the performance obligations

Transaction price is based on published tariff rate provided by Bintulu Port Authority ("BPA") and Samalaju Port Authority ("SPA") for provision of port services. The transaction price for bulking services is based on contract rate signed between customers and the Company.

Revenue from construction services is recognised as required under IC Interpretation 12: *Service Concession Arrangements* and in accordance with MFRS 15: *Revenue from contracts with customers* in respect of the upgrading of port facilities works undertaken during the year. There is no mark-up recognised on these activities as the Group outsourced the construction services to third parties.

5. OTHER INCOME

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Finance income:				
Interest income from:				
- Current account	**22**	28	**-**	-
- Short term deposits	**13,941**	18,447	**2,011**	1,299
- Staff loans	**43**	47	**-**	-
- Sublease	**689**	677	**-**	-
	14,695	19,199	**2,011**	1,299

5. OTHER INCOME (CONTINUED)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other income:				
Dividend income from investment in securities	**15,190**	9,989	**1,683**	843
Rental income	**-**	10	**-**	-
Gain on disposal of property, plant and equipment	**1**	315	**-**	-
Gain in derecognition of right-of-use asset	**-**	650	**-**	-
Fair value gain on investment in securities	**-**	1,240	**-**	-
Guarantee fee income	**-**	-	**1,411**	1,339
Others	**1,171**	1,074	**5**	16
Unrealised gain in foreign exchange	**-**	10	**-**	-
	16,362	13,288	**3,099**	2,198
	31,057	32,487	**5,110**	3,497

6. COST OF CONSTRUCTION SERVICES

	Group	
	2021 RM'000	2020 RM'000
Cost of construction services for concession infrastructure	**6,867**	8,392

The Group considers the fair value for the consideration for the services rendered in the acquisition or construction and upgrade of the infrastructure approximates the cost incurred as all the construction works are subcontracted out.

7. EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Wages, salaries, allowance and bonus	**103,913**	102,825	**29,466**	28,318
Defined contribution plan (Employees Provident Fund)	**13,592**	13,753	**4,321**	4,211
Staff gratuities (Note 22)	**-**	1,001	**-**	-
Other employee benefits	**11,987**	11,290	**4,338**	3,930
	129,492	128,869	**38,125**	36,459

8. OTHER EXPENSES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
The following items have been included in arriving at other expenses:				
Auditors' remuneration	**356**	338	**100**	100
Non-Executive Directors (Note 10)				
- Fees	**1,743**	1,712	**1,164**	1,151
- Other emoluments	**854**	666	**763**	576
(Gain)/Loss on disposal of property, plant and equipment	**(1)**	-	**-**	13
Fair value loss on investment in securities	**8,062**	-	**912**	570
Realised loss on foreign exchange	**842**	616	**-**	-
Unrealised loss on foreign exchange	**147**	-	**-**	-
Rental of equipment	**741**	520	**51**	39
Rental of premises	**85**	89	**3,600**	3,600
Bad debts written off	**391**	-	**-**	-
Inventories written off	**-**	170	**-**	-

9. FINANCE COSTS

	Group	
	2021 RM'000	2020 RM'000
Unwinding of discount		
- Contractual obligation for lease payment (Note 24)	**17,141**	18,035
- Maintenance dredging (Note 25)	**1,207**	569
- Lease liabilities (Note 24)	**4,594**	5,584
- Replacement obligations (Note 25)	**951**	465
Profit expense on Sukuk Murabahah (Note 23)	**50,389**	50,523
	74,282	75,176

10. DIRECTORS' REMUNERATION

The details of remuneration received and receivable by Directors of the Group and of the Company during the year are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-Executive Directors:				
- Fees	**1,743**	1,712	**1,164**	1,151
- Meeting and other allowances	**556**	437	**465**	347
	2,299	2,149	**1,629**	1,498
- Provision for Directors' Gratuities	**298**	229	**298**	229
	2,597	2,378	**1,927**	1,727

The number of Directors of the Company whose total remuneration during the financial year fall within the following bands is analysed below:

	2021	2020
Non-Executive Directors:		
RM50,001 - RM100,000	**3**	1
RM100,001 - RM150,000	**2**	9
RM150,001 - RM200,000	**4**	-
RM200,001 - RM250,000	**5**	1

11. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 31 December 2021 and 2020 are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Statement of profit or loss:				
Current income tax:				
- Malaysian income tax	**39,628**	33,144	**-**	-
- Foreign tax	**1,896**	1,097	**-**	-
Under/(Over) provision in previous years				
- Malaysian income tax	**110**	(54)	**-**	-
	41,634	34,187	**-**	-
Deferred income tax (Note 17):				
Origination of temporary differences	**(276,153)**	(2,081)	**-**	-
(Over)/Underprovision in previous years	**(2,357)**	1,259	**-**	-
	(278,510)	(822)	**-**	-
Income tax (credit)/expense recognised in profit or loss	**(236,876)**	33,365	**-**	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial year.

11. INCOME TAX EXPENSE (CONTINUED)

The reconciliation between tax (credit)/expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2021 and 2020 are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit before tax	**126,315**	126,666	**115,558**	118,186
Tax at Malaysian statutory tax rate of 24% (2020: 24%)	**30,316**	30,400	**27,734**	28,365
Adjustments:				
Effect of different tax rate in other country	**(563)**	(415)	**-**	-
Non-deductible expenses	**5,558**	5,221	**558**	680
Income not subject to tax	**(2,757)**	(2,864)	**(29,732)**	(30,250)
Under/(Over)provision of tax expenses in previous years	**110**	(54)	**-**	-
Overprovision of deferred tax in previous years	**(2,357)**	1,259	**-**	-
Utilisation of previously unrecognised deferred tax assets	**(4,164)**	(182)	**-**	-
Deferred tax assets not recognised during the year	**1,505**	-	**1,440**	1,205
Deferred tax assets recognised during the year	**(264,524)**	-	**-**	-
Income tax (credit)/expense recognised in profit or loss	**(236,876)**	33,365	**-**	-

12. EARNINGS PER SHARE

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the number of ordinary shares outstanding during the financial year.

The following tables reflect the profit and share data used in the computation of basic earnings per share for the year ended 31 December:

	Group	
	2021 RM'000	**2020 RM'000**
Profit net of tax	**363,191**	93,301

	Group	
	2021 '000	**2020 '000**
Number of ordinary shares for basic earnings per share computation	**460,000**	460,000

	Group	
	2021	**2020**
Basic earnings per share for profit for the year (sen)	**78.95**	20.28

(b) Diluted

The diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares outstanding.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings and structures RM'000	Bulking facilities RM'000	Machinery and equipment RM'000	Motor vehicles RM'000	Office furniture, fittings and equipment RM'000	Vessels RM'000	Capital work-in-progress RM'000	Total RM'000
Group								
Cost:								
At 1 January 2020	50,875	167,649	273,805	11,418	28,767	133,212	5,626	671,352
Additions	952	-	172	222	1,881	-	7,249	10,476
Disposals	(648)	-	(73)	(265)	(651)	(6,239)	-	(7,876)
Reclassification from/ (to) intangible assets	-	-	-	-	(109)	-	-	(109)
Transfers	2,146	-	2,713	-	-	5,053	(9,912)	-
Exchange differences	-	-	-	-	(1)	-	-	(1)
At 31 December 2020 and 1 January 2021	**53,325**	**167,649**	**276,617**	**11,375**	**29,887**	**132,026**	**2,963**	**673,842**
Additions	**77**	**-**	**1,024**	**285**	**2,075**	**-**	**9,660**	**13,121**
Disposals	**-**	**-**	**(5)**	**-**	**(1,435)**	**-**	**-**	**(1,440)**
Reclassification from/ (to) intangible assets	**-**	**-**	**-**	**-**	**296**	**-**	**(124)**	**172**
Transfers	**801**	**4,253**	**3,311**	**-**	**505**	**-**	**(8,870)**	**-**
Reversal of cost	**-**	**-**	**-**	**-**	**(226)**	**-**	**(122)**	**(348)**
At 31 December 2021	**54,203**	**171,902**	**280,947**	**11,660**	**31,102**	**132,026**	**3,507**	**685,347**

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Buildings and structures RM'000	Bulking facilities RM'000	Machinery and equipment RM'000	Motor vehicles RM'000	Office furniture, fittings and equipment RM'000	Vessels RM'000	Capital work-in-progress RM'000	Total RM'000
Group (Continued)								
Accumulated depreciation:								
At 1 January 2020	26,293	67,179	190,354	6,848	18,347	65,441	-	374,462
Charge for the year	3,443	6,706	14,278	867	2,196	6,370	-	33,860
Disposals	(648)	-	(73)	(239)	(634)	(6,239)	-	(7,833)
Exchange differences	-	-	-	-	1	-	-	1
At 31 December 2020 and 1 January 2021	**29,088**	**73,885**	**204,559**	**7,476**	**19,910**	**65,572**	**-**	**400,490**
Charge for the year	**3,778**	**6,734**	**14,894**	**529**	**2,555**	**6,318**	**-**	**34,808**
Disposals	**-**	**-**	**(1)**	**-**	**(1,435)**	**-**	**-**	**(1,436)**
Exchange differences	**-**	**-**	**(2)**	**-**	**-**	**-**	**-**	**(2)**
At 31 December 2021	**32,866**	**80,619**	**219,450**	**8,005**	**21,030**	**71,890**	**-**	**433,860**
Net carrying amount:								
At 31 December 2020	**24,237**	**93,764**	**72,058**	**3,899**	**9,977**	**66,454**	**2,963**	**273,352**
At 31 December 2021	**21,337**	**91,283**	**61,497**	**3,655**	**10,072**	**60,136**	**3,507**	**251,487**

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor Vehicles RM'000	Office Furniture, Fittings and Equipment RM'000	Capital Work-in-progress RM'000	Total RM'000
Company				
Cost:				
At 1 January 2020	2,074	3,585	-	5,659
Additions	-	677	141	818
Disposal	-	(27)	-	(27)
At 31 December 2020 and 1 January 2021	**2,074**	**4,235**	**141**	**6,450**
Additions	**-**	**893**	**471**	**1,364**
Transfer	**-**	**502**	**(502)**	**-**
Reversal of cost	**-**	**(226)**	**-**	**(226)**
At 31 December 2021	**2,074**	**5,404**	**110**	**7,588**
Accumulated depreciation:				
At 1 January 2020	849	715	-	1,564
Charge during the year	254	462	-	716
Written off/ Disposal	-	(13)	-	(13)
At 31 December 2020 and 1 January 2021	**1,103**	**1,164**	**-**	**2,267**
Charge during the year	**182**	**611**	**-**	**793**
At 31 December 2021	**1,285**	**1,775**	**-**	**3,060**
Net carrying amount:				
At 31 December 2020	971	3,071	141	4,183
At 31 December 2021	**789**	**3,629**	**110**	**4,528**

14. RIGHT-OF-USE ASSETS

	Vessels RM'000	Leasehold land RM'000	Total RM'000
Group			
Cost:			
At 1 January 2020	108,012	26,617	134,629
Additions	49,060	-	49,060
Exchange differences	(304)	-	(304)
At 31 December 2020 and 31 December 2021	**156,768**	**26,617**	**183,385**
Accumulated depreciation:			
At 1 January 2020	54,055	7,098	61,153
Charge for the year	29,090	887	29,977
Exchange differences	(81)	-	(81)
At 31 December 2020 and 1 January 2021	**83,064**	**7,985**	**91,049**
Charge for the year	**35,748**	**887**	**36,635**
Exchange differences	**(372)**	**-**	**(372)**
At 31 December 2021	**118,440**	**8,872**	**127,312**
Net carrying amount:			
At 31 December 2020	73,704	18,632	92,336
At 31 December 2021	**38,328**	**17,745**	**56,073**

15. INVESTMENT IN SUBSIDIARIES

	Company	
	2021 RM'000	2020 RM'000
Unquoted shares in Malaysia, at cost	**1,030,000**	1,030,000
Financial guarantee granted	**21,900**	21,900
	1,051,900	1,051,900

15. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Country of Incorporation	Principal activities	Proportion of Ownership Interest 2021 %	2020 %
Held by the Company:				
Bintulu Port Sdn. Bhd.	Malaysia	Provision of port services at Bintulu Port, Sarawak	**100**	100
Biport Bulkers Sdn. Bhd.	Malaysia	Provision of bulking installation facilities for palm oil, edible oils, vegetables oils, fats and its by-products	**100**	100
Samalaju Industrial Port Sdn. Bhd.	Malaysia	Development and provision of port services at Samalaju Port, Sarawak	**100**	100

All subsidiaries are audited by Ernst & Young PLT, Malaysia. Brunei branch of Bintulu Port Sdn. Bhd. is audited by Ernst & Young, Brunei.

16. INTANGIBLE ASSETS

	Leased land and infrastructure assets RM'000	Acquired and constructed infrastructure intangible assets RM'000	Right to operate concession rights RM'000	Software RM'000	Capital work-in-progress RM'000	Others RM'000	Total RM'000
Group							
Cost:							
At 1 January 2020	1,851,913	1,815,213	24,531	25,233	2,503	15	3,719,408
Additions	-	1,487	-	851	7,052	-	9,390
Transfer from property, plant and equipment	-	-	-	109	-	-	109
Transfers	-	3,638	-	145	(3,783)	-	-

16. INTANGIBLE ASSETS (CONTINUED)

	Leased land and infrastructure assets RM'000	Acquired and constructed infrastructure intangible assets RM'000	Right to operate concession rights RM'000	Software RM'000	Capital work-in-progress RM'000	Others RM'000	Total RM'000
Group (Continued)							
At 31 December 2020 and 1 January 2021	**1,851,913**	**1,820,338**	**24,531**	**26,338**	**5,772**	**15**	**3,728,907**
Additions (via purchases)	**-**	**6,727**	**-**	**859**	**2,242**	**-**	**9,828**
Additions (via leases)	**9,468**	**-**	**-**	**-**	**-**	**-**	**9,468**
Transfer (to)/from property, plant and equipment	**-**	**751**	**-**	**-**	**(923)**	**-**	**(172)**
Transfers	**-**	**2,218**	**-**	**283**	**(2,501)**	**-**	**-**
Derecognition upon financial liabilities reassessment	**(794)**	**(13)**	**-**	**-**	**-**	**-**	**(807)**
Reversal of cost	**-**	**-**	**-**	**-**	**(795)**	**-**	**(795)**
At 31 December 2021	**1,860,587**	**1,830,021**	**24,531**	**27,480**	**3,795**	**15**	**3,746,429**
Accumulated amortisation:							
At 1 January 2020	1,508,049	500,172	20,934	14,551	-	-	2,043,706
Charge for the year	83,243	66,904	1,199	1,642	-	-	152,988
At 31 December 2020 and 1 January 2021	**1,591,292**	**567,076**	**22,133**	**16,193**	**-**	**-**	**2,196,694**
Charge for the year	**87,887**	**68,045**	**1,199**	**1,728**	**-**	**-**	**158,859**
At 31 December 2021	**1,679,179**	**635,121**	**23,332**	**17,921**	**-**	**-**	**2,355,553**
Net carrying amount:							
At 31 December 2020	**260,621**	**1,253,262**	**2,398**	**10,145**	**5,772**	**15**	**1,532,213**
At 31 December 2021	**181,408**	**1,194,900**	**1,199**	**9,559**	**3,795**	**15**	**1,390,876**

16. INTANGIBLE ASSETS (CONTINUED)

	Capital Work-in-progress RM'000	Software RM'000	Total RM'000
Company			
Cost:			
At 1 January 2020, 31 December 2020 and 1 January 2021	**-**	**2,602**	**2,602**
Additions	**785**	**228**	**1,013**
Transfers from construction work in progress	**(179)**	**179**	**-**
Reversal of costs	**(606)**	**-**	**(606)**
At 31 December 2020, 1 January 2021 and 31 December 2021	**-**	**3,009**	**3,009**
Accumulated amortisation:			
At 1 January 2020	-	748	748
Charge for the year	-	342	342
At 31 December 2020 and 1 January 2021	**-**	**1,090**	**1,090**
Charge for the year	**-**	**341**	**341**
At 31 December 2021	**-**	**1,431**	**1,431**
Net carrying amount:			
At 31 December 2020	-	1,512	1,512
At 31 December 2021	**-**	**1,578**	**1,578**

Key assumptions used in value-in-use calculations of SIPSB impairment assessment ("CGU")

The Group assesses concession intangible assets at the end of each reporting period when there is an indication that an asset may be impaired by comparing its carrying amount with its recoverable amount.

The continued loss reported by SIPSB indicates that the carrying amount of concession intangible assets in SIPSB may also be impaired.

The recoverable amounts of the CGU have been determined based on value-in-use calculations using cash flow projections covering a 36-year period which is the remaining length of the concession period.

16. INTANGIBLE ASSETS (CONTINUED)

Key assumptions used in value-in-use calculations of SIPSB impairment assessment ("CGU") (Continued)

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing on the concession intangible assets:

(a) Discount rate

Value-in-use was determined by discounting the future cash flows generated by applying the discount rate of 8.0% (2020: 8.0%).

The rate used to discount future cash flows is subject to change in economic conditions and is reviewed annually.

(b) Revenue

Revenue growth is based on projected cargo volume by port users for 7 years at published tariff rates issued by Samalaju Port Authority, except for discounts given to certain port users for handling charges up to 2024 and for a particular customer, the discount on handling charges for its dry bulk cargo was assumed to end by year 2032. Projected cargo volume is assumed to be constant after 7 years.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use, management believes that reasonably possible changes in any of the above key assumptions would not cause the carrying values to materially exceed their recoverable amounts.

17. DEFERRED TAX

The components and movement of deferred tax liabilities and (assets) during the financial year prior to offsetting are as follows:

	Deferred Tax Liabilities	← Deferred Tax Assets							→
	Property, Plant and Equipment RM'000	Right-of-use Assets RM'000	Contractual Obligation on Lease Payment RM'000	Gratuity Payable RM'000	Unabsorbed Capital Allowances RM'000	Provision for Maintenance Dredging RM'000	Investment Tax Allowance (Unutilised) RM'000	Others RM'000	Total RM'000
Group									
At 1 January 2020	73,353	(3,235)	(36,724)	(5,097)	(76,789)	(8,688)	-	(854)	(58,035)
Recognised in profit or loss (Note 11)	(936)	184	11,212	1,001	(14,046)	4,019	-	(2,256)	(822)
At 31 December 2020 and 1 January 2021	**72,417**	**(3,051)**	**(25,512)**	**(4,096)**	**(90,835)**	**(4,669)**	**-**	**(3,110)**	**(58,857)**
Recognised in profit or loss (Note 11)	**(124)**	**(2,613)**	**10,288**	**1,006**	**(9,323)**	**(5,950)**	**(264,524)**	**(7,270)**	**(278,510)**
At 31 December 2021	**72,293**	**(5,664)**	**(15,224)**	**(3,090)**	**(100,158)**	**(10,619)**	**(264,524)**	**(10,380)**	**(337,367)**

17. DEFERRED TAX (CONTINUED)

	Deferred tax liabilities	Deferred tax assets	
	Property plant and equipment RM'000	Unabsorbed capital allowance RM'000	Total RM'000
Company			
At 1 January 2020	591	(591)	-
Recognised in profit or loss (Note 11)	137	(137)	-
At 31 December 2020 and 1 January 2021	**728**	**(728)**	**-**
Recognised in profit or loss (Note 11)	**284**	**(284)**	**-**
At 31 December 2021	**1,012**	**(1,012)**	**-**

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses	**68,222**	63,117	**16,332**	11,499
Unabsorbed capital allowances	**5,187**	4,019	**5,187**	4,019
Investment tax allowance	**-**	1,102,183	**-**	-
Others	**-**	17,352	**-**	-
	73,409	1,186,671	**21,519**	15,518

Investment tax allowance was granted to Samalaju Industrial Port Sdn Bhd (SIPSB) in 2017. On 18 January 2017, SIPSB was given 100% investment tax allowance on qualifying expenditure to be set off against 70% statutory income, from 30 August 2012 to 29 August 2017 under Section 127(3A) of Income Tax Act (ITA) 1967.

In 2019, further to the Finance Act 2018 which was gazetted in December 2018, with effect from YA 2019, it was confirmed that companies with exemptions granted under Section 127(3A) of the ITA 1967 will not be subjected to 7-year carry forward restriction.

Despite the confirmation that the ITA is not subject to the 7 years restriction, the related deferred tax assets were not recognised in previous year as there were uncertainties caused by COVID- 19 and SIPSB was of the view that the probability of utilising the deferred tax assets arising from investment tax allowance remained uncertain.

17. DEFERRED TAX (CONTINUED)

For the financial year ended 31 December 2021, following the positive growth and current business conditions of Samalaju Industrial Port users, the performance of SIPSB has now improved and is now in chargeable income tax position as opposed to making tax losses in the previous years. Based on this, as well as the expected growth of the port, the Group and SIPSB are of the view that the investment tax allowance can be utilised and has recognised deferred tax assets of RM264.52million.

Pursuant to Section 44(5F) of the Income Tax Act, 1967, the unutilised tax losses can only be carried forward as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses to be carried forward until:				
- Year of assessment 2028 (2020: Year of assessment 2025)	**55,934**	55,935	**8,492**	8,493
- Year of assessment 2029 (2020: Year of assessment 2026)	**6,051**	3,424	**3,006**	379
- Year of assessment 2030 (2020: Year of assessment 2027)	**6,237**	3,758	**4,834**	2,627
	68,222	63,117	**16,332**	11,499

Following the amendment on Subsection 44(5F) of Income Tax Act, 1967, effective from year of assessment 2019, the unabsorbed tax losses of the Group will only be available for carry forward for a period of ten consecutive years. Upon expiry of the ten years, the unabsorbed tax losses will be disregarded.

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current				
Trade receivables				
External parties	**37,002**	35,629	**-**	-
Other receivables				
Amounts due from subsidiaries	**-**	-	**9,079**	1,122
Interest receivable	**1,311**	1,212	**96**	66
Staff loans	**1,606**	1,741	**585**	628
Sundry receivables	**4,116**	3,574	**23**	23
	7,033	6,527	**9,783**	1,839
	44,035	42,156	**9,783**	1,839
Other current assets				
GST receivables	**445**	1,353	**-**	-
Prepaid operating expenses	**23,454**	23,002	**461**	498
Contract assets	**19,534**	15,893	**-**	-
	43,433	40,248	**461**	498
	87,468	82,404	**10,244**	2,337
Non-current				
Other receivables				
Lease receivable	**10,358**	10,269	**-**	-
	97,826	92,673	**10,244**	2,337
Financial assets under trade and other receivables				
Total trade and other receivables	**97,826**	92,673	**10,244**	2,337
Less: other current assets	**(43,433)**	(40,248)	**(461)**	(498)
	54,393	52,425	**9,783**	1,839

(a) Trade receivables

Trade receivables are non-interest bearing and are generally from 15 to 45 days (2020: 15 to 45 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent fair values on initial recognition.

Trade receivables include amounts due from Malaysia LNG Sdn. Bhd. and other subsidiaries of a substantial shareholders, Petroliam Nasional Berhad, with the amount of RM4,037,807 (2020: RM3,619,338) and RM1,013,474 (2020: RM1,141,840) respectively.

Information about the credit exposures are disclosed in Note 32(b).

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and receivable on demand.

(c) Other current assets

Included in prepaid operating expenses is prepaid lease rental for the first quarter of the following year of RM20,429,694 (2020: RM20,379,694) paid to Bintulu Port Authority ("BPA").

(d) Lease receivable

The Company has entered into lease agreement with a third party on land which is leased from Bintulu Port Authority. This lease has a term of 30 years.

Future minimum rental receivables under finance leases as at the reporting date were as follows:

	2021 RM'000	2020 RM'000
Receivable more than 5 years	**10,358**	10,269
The lease receivables are presented as follows:		
Non-current	**10,358**	10,269

The movement of finance lease receivables during the financial year is as follows:

	2021 RM'000	2020 RM'000
At 1 January	**10,269**	-
Additions	**-**	10,192
Accretion of interest	**689**	677
Receipt of lease	**(600)**	(600)
At 31 December	**10,358**	10,269

19. INVESTMENT IN SECURITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fair value through profit or loss				
Investment in unit trust fund	**306,426**	229,902	**30,971**	22,220

20. CASH AND BANK BALANCES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash at banks and on hand	**7,124**	8,939	**365**	507
Deposits with licensed financial institutions:				
Short term deposits with licensed banks	**609,135**	591,465	**108,000**	70,600
Money market instruments purchased under repurchase agreements	**74,150**	66,900	**22,050**	12,900
	683,285	658,365	**130,050**	83,500
Cash and bank balances	**690,409**	667,304	**130,415**	84,007

The effective interest rates and the maturities of deposits as at the reporting date were as follows:

	Interest rate		Maturity	
	2021 %	2020 %	2021 Days	2020 Days
Group				
Deposits with licensed banks	**2.00 - 2.16**	1.90 - 2.05	**31 - 177**	31 - 180
Money market instruments purchased under repurchase agreements	**1.25 - 1.50**	1.25 - 1.50	**6 - 24**	4 - 21

20. CASH AND BANK BALANCES (CONTINUED)

	Interest rate		Maturity	
	2021 %	2020 %	2021 Days	2020 Days
Company				
Deposits with licensed banks	**2.05 - 2.07**	1.95	**31 - 63**	31 - 33
Money market instruments purchased under repurchase agreements	**1.40 - 1.50**	1.40 - 1.50	**10 - 24**	6 - 20

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash and bank balances	**690,409**	667,304	**130,415**	84,007
Less: Deposits with maturity period of more than 3 months	**(18,765)**	(18,765)	**-**	-
Cash and cash equivalents	**671,644**	648,539	**130,415**	84,007

21. SHARE CAPITAL

	No. of shares		Amount		
	Share Capital (Issued And Fully Paid) '000	One Special Rights Redeemable Preference Shares '000	Share Capital (Issued and Fully Paid) RM'000	One Special Rights Redeemable Preference Shares RM'000	Total Share Capital RM'000
Group/Company					
At 1 January 2020 and 31 December 2020	460,000	*	890,818	*	890,818

21. SHARE CAPITAL (CONTINUED)

	No. of shares		Amount		
	Share Capital (Issued And Fully Paid) '000	One Special Rights Redeemable Preference Shares '000	Share Capital (Issued and Fully Paid) RM'000	One Special Rights Redeemable Preference Shares RM'000	Total Share Capital RM'000
Group/Company					
At 1 January 2021 and 31 December 2021	**460,000**	*	**890,818**	*	**890,818**

* The Special Share amounted to RM1.

The Special Share

The Special Share, which may only be held by or transferred to the Minister of Finance (Incorporation) or its successors or any Minister, representative or any person acting on behalf of the Government of Malaysia, carries certain rights as provided by Clauses 9, 24.2 and 44.1 of the Company's Constitution.

These special rights include:

(i) the right to appoint not more than four persons at anytime as directors of the Company;

(ii) the right to repayment of the capital paid up on the Special Share in priority to any other member in the event of winding-up of the Company; and

(iii) the right to require the Company to redeem the Special Share at its issued price at any time.

Certain matters, in particular, the alteration of specified Clauses, any substantial disposal of assets, amalgamation, merger and takeover, require prior approval of the holder of the Special Share.

The Special Share does not carry any right to vote at General Meetings but the holder is entitled to attend and speak at such meetings.

22. OTHER PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current:				
Due to subsidiaries	**-**	-	**11**	365
Accrued operating expenses	**7,756**	7,328	**1,768**	1,850
Sundry payables	**24,040**	21,494	**1,805**	1,255
Deposit received	**2,162**	3,716	**-**	-
Retention money	**1,469**	1,803	**-**	-
Staff gratuities	**3,349**	3,778	**-**	-
Financial guarantee contract	**-**	-	**1,411**	1,411
Others	**296**	394	**-**	-
	39,072	38,513	**4,995**	4,881
Non-current:				
SUKUK profit distribution	**56,517**	45,269	**-**	-
Directors' gratuities	**1,164**	1,348	**1,164**	1,348
Staff gratuities	**9,528**	13,289	**-**	-
Financial guarantee contract	**-**	-	**13,364**	14,775
	67,209	59,906	**14,528**	16,123
Total other payables	**106,281**	98,419	**19,523**	21,004

(a) Other payables

Sundry payables include amount due to Petroleum Sarawak Berhad (PETROS) and Petronas Dagangan Berhad, with the amount of RM254,893 (2020: RM122,737) and RM263,240 (2020: RM96,720) respectively. These amounts are non-interest bearing.

(b) Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, non-interest bearing and payable on demand.

22. OTHER PAYABLES (CONTINUED)

(c) Staff gratuities

	Group	
	2021 RM'000	**2020 RM'000**
At 1 January	**17,067**	21,236
Arose during the year (Note 7)	**-**	1,001
Payment during the year	**(4,190)**	(5,170)
At 31 December	**12,877**	17,067
Current:	**3,349**	3,778
Non-current:		
Later than 1 year but not later than 2 years	**1,022**	2,369
Later than 2 years but not later than 5 years	**3,791**	3,291
Later than 5 years	**4,715**	7,629
	9,528	13,289
	12,877	17,067

(d) Directors' gratuities

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
At 1 January	**1,348**	1,451	**1,348**	1,451
Arose during the year	**201**	229	**201**	229
Payment during the year	**(385)**	(332)	**(385)**	(332)
At 31 December	**1,164**	1,348	**1,164**	1,348
Non-current:	**1,164**	1,348	**1,164**	1,348
	1,164	1,348	**1,164**	1,348

22. OTHER PAYABLES (CONTINUED)

(e) Financial guarantee contract

Financial guarantee contracts relate to the differential rate on the financing facilities taken by a subsidiary which resulted from a corporate guarantee provided by the Group and the Company.

The Company has measured the fair value of the financial guarantee liability in respect of borrowings of a subsidiary. As a result, an income of RM1.4 million (2020: RM1.3 million) was recognised during the year.

23. LOANS AND BORROWINGS

	Group	
	2021 RM'000	2020 RM'000
Non-current		
Unsecured:		
Sukuk Murabahah	**941,848**	940,338
Total loans and borrowings	**941,848**	940,338

Sukuk Murabahah

The Sukuk Programme obtained by SIPSB, has a tenure of 20 years from the 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 backed 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 SIPSB for the payment of fees and expenses relating 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.

On 28 December 2015, SIPSB raised a total amount of RM700 million from the first issuance of the Sukuk Murabahah, which has tenure of up to 14 years from the date of issuance.

On 23 December 2016, the subsidiary raised a total amount of RM250 million from the second issuance of the Sukuk Murabahah, which has tenure of up to 20 years from the date of issuance.

23. LOANS AND BORROWINGS (CONTINUED)

Summary of the Sukuk Murabahah is tabulated below:

As at 31 December 2021/2020

Year of Issuance	Nominal amount	Periodic distribution rates	Yield-to-maturity rates	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

The Sukuk Murabahah is redeemable as follows:

	Group	
	2021 RM'000	2020 RM'000
Later than 2 years but not later than 5 years	**370,000**	260,000
Later than 5 years	**571,848**	680,338
	941,848	940,338

	Group	
	2021 RM'000	2020 RM'000
At 1 January	**940,338**	938,827
Payment during the year	**(37,630)**	(37,527)
Profit expense on Sukuk Murabahah (Note 9)	**50,389**	50,523
Accrued interest	**(11,249)**	(11,485)
	1,510	1,511
At 31 December	**941,848**	940,338

24. LEASE LIABILITIES

	Group	
	2021 RM'000	2020 RM'000
Current:		
Contractual payments to grantors in Service Concession Agreements	**148,674**	131,444
Other lease liabilities	**18,131**	39,183
	166,805	170,627
Non-current:		
Contractual payments to grantors in Service Concession Agreements	**112,072**	247,652
Other lease liabilities	**62,091**	78,208
	174,163	325,860
	340,968	496,487

(i) Contractual payments to grantors in Service Concession Agreements

	Group	
	2021 RM'000	2020 RM'000
At 1 January	**379,096**	505,988
Addition	**9,468**	-
Unwinding of discount (Note 9)	**17,141**	18,035
MFRS 16 adjustments	**(13)**	-
Payments	**(144,946)**	(144,927)
At 31 December	**260,746**	379,096
Current:	**148,674**	131,444
Non-current:		
Later than 1 year but not later than 2 years	**-**	135,871
Later than 2 years but not later than 5 years	**-**	-
Later than 5 years	**112,072**	111,781
	112,072	247,652
	260,746	379,096

24. LEASE LIABILITIES (CONTINUED)

(i) Contractual payments to grantors in Service Concession Agreements (Continued)

In accordance with IC Interpretation 12: *Service Concession Arrangements*, a provision for the contractual obligations for the lease of land and facilities is accrued at the inception of the arrangement and subsequently as additional land and facilities are leased, at the present value of the future expenditure expected to be required to settle the obligation.

(ii) Other lease liabilities

	Maturity	2021 RM'000	2020 RM'000
Group			
Non-current	2023 - 2049	**62,091**	78,208
Current	2022	**18,131**	39,183
		80,222	117,391
Maturity of lease liabilities			
Within one year		**18,131**	39,183
Later than 1 year and not later than 2 years		**8,911**	13,674
Later than 2 years and not later than 5 years		**15,435**	21,716
Later than 5 years		**37,745**	42,818
		80,222	117,391

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2021 RM'000	2020 RM'000
Group		
At 1 January	**117,391**	85,653
Addition	**-**	58,298
Unwinding of discount (Note 9)	**4,594**	5,584
Payments	**(40,208)**	(32,179)
Reclassed to other creditors	**(1,128)**	-
Exchange differences	**423**	35
Revisions on charter hire	**(850)**	-
At 31 December	**80,222**	117,391

24. LEASE LIABILITIES (CONTINUED)

(ii) Other lease liabilities (Continued)

The following are the amounts recognised in profit or loss:

	2021 RM'000	2020 RM'000
Depreciation expense of right-of-use assets	**36,635**	29,977
Unwinding of discount on lease liabilities	**4,594**	5,584
Expenses relating to short-term lease	**1,147**	805
Total amount recognised in profit or loss	**42,376**	36,366

The Group had total cash outflows for other leases of RM38,126,754 (2020: RM32,964,877).

Other lease liabilities relate to leases of land and vessels accounted for in accordance with MFRS 16: *Leases*. The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

25. PROVISIONS

	Maintenance dredging RM'000	Replacement obligations RM'000	Total RM'000
Group			
At 1 January 2021	**19,453**	**17,622**	**37,075**
Arose during the year	**27,434**	**8,863**	**36,297**
Unwinding of discount (Note 9)	**1,207**	**951**	**2,158**
Payments	**(3,846)**	**-**	**(3,846)**
At 31 December 2021	**44,248**	**27,436**	**71,684**
Current	**44,248**	**-**	**44,248**
Non-current	**-**	**27,436**	**27,436**
	44,248	**27,436**	**71,684**
At 1 January 2020	39,476	12,151	51,627
Arose during the year	36,399	5,006	41,405
Unwinding of discount (Note 9)	569	465	1,034
Payments	(56,991)	-	(56,991)
At 31 December 2020	19,453	17,622	37,075
Current	19,453	-	19,453
Non-current	-	17,622	17,622
	19,453	17,622	37,075

26. DIVIDENDS

	Dividends in respect of the year		Dividends recognised in year	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Interim single tier dividend for 2019				
- 2.00 sen per share	**-**	-	**-**	9,200
Interim single tier dividend for 2020				
- 2.00 sen per share	**-**	9,200	**-**	9,200
- 2.00 sen per share	**-**	9,200	**-**	9,200
- 4.00 sen per share	**-**	18,400	**-**	18,400
- 2.00 sen per share	**-**	9,200	**9,200**	-
Interim single tier dividend for 2021				
- 3.00 sen per share	**13,800**	-	**13,800**	-
- 3.00 sen per share	**13,800**	-	**13,800**	-
- 3.00 sen per share	**13,800**	-	**13,800**	-
	41,400	46,000	**50,600**	46,000

The Directors have authorised on 24 February 2022 the payment of a fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000, which will be paid on 14 April 2022 to shareholders registered on the Company's Register of Members at the close of business on 25 March 2022. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

27. COMMITMENTS

Capital commitments

Capital expenditure as at the reporting date is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Capital expenditure				
Approved and contracted for:				
Property, plant and equipment and concession intangible assets	**31,843**	8,501	**359**	361
Approved but not contracted for:				
Property, plant and equipment and concession intangible assets	**7,350**	497	**-**	-
	39,193	8,998	**359**	361

28. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services

In addition to related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Significant transactions with subsidiaries				
Dividend income	**-**	-	**122,200**	125,200
Management fee received from subsidiaries	**-**	-	**41,534**	43,416
Rental expense charged by BPSB	**-**	-	**(3,600)**	(3,600)

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Sale and purchase of goods and services (Continued)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:				
Rendering of services:				
- Malaysia LNG Sdn. Bhd.	**159,254**	177,210	**-**	-
- Vestigo Petroleum Sdn. Bhd.	**503**	523	**-**	-
- PETRONAS Carigali Sdn. Bhd.	**9,449**	9,404	**-**	-
- PETRONAS Dagangan Berhad	**1,705**	1,412	**-**	-
- PETRONAS Floating LNG 1 (L) Ltd	**-**	709	**-**	-
- PETRONAS Chemical Marketing (L) Ltd	**719**	845	**-**	-
Purchase of fuel and lubricants:				
- PETRONAS Dagangan Berhad	**(13,533)**	(9,515)	**-**	-
Transactions with a subsidiary of a substantial shareholder, State Financial Secretary (Sarawak State Government):				
Purchase of gas:				
- Petroleum Sarawak Berhad (PETROS)	**(2,168)**	(2,457)	**-**	-

Information regarding outstanding balances arising from related party transactions as at 31 December 2021 are disclosed in Notes 18 and 22.

(b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Directors of that entity.

The remuneration and benefits of Directors and other member of key management of the Group and of the Company during the year are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Remuneration and benefits	**4,004**	3,919	**2,985**	2,966
Post-employment benefits:				
Defined contribution plan	**256**	259	**256**	259
	4,260	4,178	**3,241**	3,225

29. SERVICE CONCESSION ARRANGEMENTS

(a) BPSB

In a privatisation exercise by the Malaysian Government on 31 December 1992, BPA sold the business of port operations at Bintulu Port to BPSB. According to the Privatisation Agreement, the subsidiary is granted a licence to provide port services at Bintulu Port for a period of 30 years, with an option to extend for another 30 years.

In consideration for a right to charge users of the port, the subsidiary pays a scheduled annual lease rental for the existing infrastructure and the land. Since the inception of the agreement, the subsidiary has also constructed additional infrastructure. These assets will be returned to BPA upon termination of the privatisation agreement at nominal value.

The charges to the users are according to a tariff set by BPA at the inception of the privatisation agreement and have not been varied.

	Intangible assets	
	Gross value RM'000	Net carrying amount RM'000
• Description arrangement: Financing, building and operating of Bintulu Port	2,307,402 (2020: 2,297,662)	128,602 (2020: 240,500)

- Period of concession: 1993 -2022, with the option to extend for thirty years
- Remuneration: Services for port facilities
- Investment grant from concession grantor: No
- Infrastructure return to grantor at end of concession
- Investment and renewal obligations: Nil
- Re-pricing dates: Nil

(b) SIPSB

On 9 July 2013, a subsidiary, SIPSB and Bintulu Port Holdings Berhad signed a service agreement ("Principal Agreement") with the State Government of Sarawak for building, operating and transfer of Samalaju Port.

The estimated cost of developing the port is RM1.9 billion of which approximately RM500 million is in respect of capital dredging and reclamation which were funded by a grant from the government of Malaysia. In addition, SIPSB is required to pay a scheduled annual lease rental for the land effective from the date of completion of the port facilities.

In consideration for the construction of the port, the subsidiary is given the right to charge port users for the services rendered in accordance with port tariffs approved by the State Government of Sarawak. The operation under the service concession agreement is for a period of forty years effective from the date of completion of Phase 1 of the port facilities in June 2017, with an option to extend for twenty years.

29. SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

(b) SIPSB (CONTINUED)

At the end of the concession period, the subsidiary shall transfer all moveable and immoveable assets of the port facilities at values determined according to the terms of the agreement.

The main features of the concession arrangements are summarized as follows:

	Intangible assets	
	Gross value RM'000	Net carrying amount RM'000
• Description arrangement: Financing, building and operating of Samalaju Port	1,423,442 (2020: 1,415,567)	1,253,768 (2020: 1,281,074)
• Period of concession: 2017 - 2056, with an option to extend for twenty years		
• Remuneration: Services for port facilities		
• Investment grant from concession grantor: Yes		
• Infrastructure return to grantor at end of concession		
• Investment and renewal obligations: Nil		
• Re-pricing dates: Nil		

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair values of financial instruments not carried at fair value

Set out below, is a comparison of the carrying amounts and fair values of the Group's financial instruments, by class, other than those with carrying amounts which are reasonable approximations of fair values:

	Carrying amount		Fair value	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Group				
Financial liabilities:				
Interest-bearing loans and borrowings – Non-current				
- SUKUK Murabahah	**941,848**	940,338	**918,401**	917,950

30. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	18
Other payables	22
Lease liabilities	24

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature except for the non-current lease liabilities.

Lease liabilities

The fair values of lease liabilities are estimated by discounting expected future cashflows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

31. FAIR VALUE MEASUREMENT

Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities; or

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; or

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities.

31. FAIR VALUE MEASUREMENT (CONTINUED)

Fair value hierarchy (Continued)

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December are as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2021				
Current assets at fair value (Note 19)				
Investment in securities	**-**	**306,426**	**-**	**306,426**
Liabilities for which fair values are disclosed				
Loans and borrowings				
- SUKUK Murabahah	**-**	**918,401**	**-**	**918,401**
2020				
Current assets at fair value (Note 19)				
Investment in securities	-	229,902	-	229,902
Liabilities for which fair values are disclosed				
Loans and borrowings				
- SUKUK Murabahah	-	917,950	-	917,950
Company				
2021				
Current assets at fair value (Note 19)				
Investment in securities	**-**	**30,971**	**-**	**30,971**
2020				
Current assets at fair value (Note 19)				
Investment in securities	-	22,220	-	22,220

There have been no transfers between Levels during the financial year.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The Group's financial risk management strategy seeks to minimise potential adverse effects of financial performance of the Group. The key financial risks include interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's exposures to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to the interest rate risk relate to fixed deposits, money market investments and repurchasing agreement ("REPO") with financial institutions.

Since all the Group's and the Company's financial assets and liabilities are fixed rate instruments measured at amortised cost, a change in interest rate is not expected to have material impact on the Group's and the Company's profit or loss.

(b) Credit risk

Risk management objectives, policies and processes for managing the risk

The Group and the Company minimise credit risk by ensuring that all potential third-party counterparties are assessed prior to registration and entering into new contracts. Existing third-party counterparties are also subject to regular reviews, including reappraisal and approval of granted limits. The creditworthiness of counterparties is assessed based on an analysis of all available quantitative and qualitative data regarding business risks and financial standing, together with the review of any relevant third party and market information.

The Group and the Company use ageing analysis and credit term review to monitor the credit quality of the receivables. Any customers including related companies exceeding their credit limit are monitored closely.

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Risk management objectives, policies and processes for managing the risk (Continued)

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statement of financial position.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer;
- a breach of contract such as a default; or
- it is probable that the customer will enter bankruptcy or other financial reorganisation.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group and the Company manage its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group and the Company perform credit rating assessment of all its counterparties in order to measure expected credit loss ("ECL") of trade receivables for all segments. This credit rating assessment considers quantitative assessment using the counterparties' financial statements or a qualitative assessment of the counterparties, which includes but is not limited to their reputation, competitive position, industry and geopolitical outlook.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Recognition and measurement of impairment loss (Continued)

In determining the ECL, the probability of default assigned to each counterparty is based on their individual credit rating. This probability of default is derived by benchmarking against available third party and market information, which also incorporates forward looking information.

Loss given default is the assumption of the proportion of financial asset that cannot be recovered by conversion of collateral to cash or by legal process, and is assessed based on the Group's and the Company's historical experience.

No expected credit loss was provided for during the financial year as the impact to the Group and the Company were deemed immaterial.

The following table provides information about exposure to credit risk and expected credit loss for trade receivables of the Group and of the Company as at 31 December 2021 and 31 December 2020:

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
31 December 2021			
Trade receivables – LNG*:			
Current (not past due)	7,878	-	7,878
More than 30 days past due	(1,080)	-	(1,080)
More than 90 days past due	(7)	-	(7)
	6,791	-	6,791
Trade receivables - Non LNG:			
Current (not past due)	11,390	-	11,390
1 to 30 days past due	212	-	212
More than 90 days past due	334	-	334
	11,936	-	11,936
	18,727	-	18,727

* - This relates to customers with vessels that carry liquefied natural gas.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
31 December 2021			
Trade receivables - bulking services:			
Current (not past due)	**2,148**	**-**	**2,148**
1 to 30 days past due	**55**	**-**	**55**
	2,203	**-**	**2,203**
Trade receivables - port services at Samalaju:			
Current (not past due)	**16,072**	**-**	**16,072**
	37,002	**-**	**37,002**
31 December 2020			
Trade receivables – LNG*:			
Current (not past due)	3,441	-	3,441
More than 90 days past due	263	-	263
	3,704	-	3,704
31 December 2020			
Trade receivables - Non LNG:			
Current (not past due)	15,098	-	15,098
1 to 30 days past due	1,502	-	1,502
More than 90 days past due	4,895	-	4,895
	21,495	-	21,495
	25,199	-	25,199

* - This relates to customers with vessels that carry liquefied natural gas.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
31 December 2020			
Trade receivables - bulking services:			
Current (not past due)	3,012	-	3,012
1 to 30 days past due	120	-	120
31 to 60 days past due	31	-	31
61 to 90 days past due	34	-	34
	3,197	-	3,197
Trade receivables - port services at Samalaju:			
Current (not past due)	7,233	-	7,233
	35,629	-	35,629

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from their ability to meet the obligations on their activities in the construction of concession infrastructure. The Group will fund these activities through equity, funding from the Government and credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted repayment obligations.

	Carrying amount RM'000	Contractual cash flows RM'000	Within one year RM'000	Two to five years RM'000	More than five years RM'000
Group					
At 31 December 2021					
Financial liabilities:					
Other payables (Note 22)	**106,281**	**106,281**	**39,072**	**5,977**	**61,232**
Loans and borrowings (Note 23)	**941,848**	**1,302,800**	**37,630**	**495,932**	**769,238**
Lease liabilities (Note 24)	**340,968**	**485,344**	**178,475**	**54,492**	**252,377**
Total undiscounted financial liabilities	**1,389,097**	**1,894,425**	**255,177**	**556,401**	**1,082,847**
At 31 December 2020					
Financial liabilities:					
Other payables (Note 22)	98,419	98,419	38,513	7,008	52,898
Loans and borrowings (Note 23)	940,338	1,351,678	37,630	399,428	914,620
Lease liabilities (Note 24)	496,487	681,798	188,706	206,220	286,872
Total undiscounted financial liabilities	1,535,244	2,131,895	264,849	612,656	1,254,390

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

	Carrying amount RM'000	Contractual cash flows RM'000	Within one year RM'000	Two to five years RM'000	More than five years RM'000
Company					
At 31 December 2021					
Financial liabilities:					
Other payables (Note 22)	**4,748**	**4,748**	**3,584**	**1,164**	**-**
Financial guarantee contract (Note 22)	**14,775**	**14,775**	**1,411**	**5,781**	**7,507**
Total undiscounted financial liabilities	**19,523**	**19,523**	**4,995**	**6,945**	**7,507**
At 31 December 2020					
Financial liabilities:					
Other payables (Note 22)	4,818	4,818	3,470	1,348	-
Financial guarantee contract (Note 22)	16,186	16,186	1,411	5,974	8,801
Total undiscounted financial liabilities	21,004	21,004	4,881	7,322	8,801

33. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:

i) Amortised cost (''AC'')
ii) Fair value through profit or loss ("FVTPL")

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
2021				
Group				
Financial assets				
Trade and other receivables	18	**-**	**54,393**	**54,393**
Cash and bank balances	20	**-**	**690,409**	**690,409**
Investment in securities	19	**306,426**	**-**	**306,426**
		306,426	**744,802**	**1,051,228**
Financial liabilities				
Other payables	22	**-**	**106,281**	**106,281**
Loans and borrowings	23	**-**	**941,848**	**941,848**
Lease liabilities	24	**-**	**340,968**	**340,968**
		-	**1,389,097**	**1,389,097**
2020				
Group				
Financial assets				
Trade and other receivables	18	-	52,425	52,425
Cash and bank balances	20	-	667,304	667,304
Investment in securities	19	229,902	-	229,902
		229,902	719,729	949,631
Financial liabilities				
Other payables	22	-	98,419	98,419
Loans and borrowings	23	-	940,338	940,338
Lease liabilities	24	-	496,487	496,487
		-	1,535,244	1,535,244

33. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
2021				
Company				
Financial assets				
Trade and other receivables	18	**-**	**9,783**	**9,783**
Cash and bank balances	20	**-**	**130,415**	**130,415**
Investment in securities	19	**30,971**	**-**	**30,971**
		30,971	**140,198**	**171,169**
Financial liabilities				
Other payables	22	**-**	**19,523**	**19,523**
2020				
Company				
Financial assets				
Trade and other receivables	18	-	1,839	1,839
Cash and bank balances	20	-	84,007	84,007
Investment in securities	19	22,220	-	22,220
		22,220	85,846	108,066
Financial liabilities				
Other payables	22	-	21,004	21,004

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic condition. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, other payables, lease liabilities less cash and bank balances. Capital includes equity attributable to the owners of the parent.

34. CAPITAL MANAGEMENT (CONTINUED)

		Group	
	Note	2021 RM'000	2020 RM'000
Loans and borrowings	23	**941,848**	940,338
Other payables	22	**106,281**	98,419
Lease liabilities	24	**340,968**	496,487
Less: Cash and bank balances	20	**(690,409)**	(667,304)
Net debt		**698,688**	867,940
Equity attributable to the owners of the parent		**1,690,097**	1,377,455
Total equity		**1,690,097**	1,377,455
Capital and net debt		**2,388,785**	2,245,395
Gearing ratio		**29.25%**	38.65%

35. SEGMENT INFORMATION

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:

(i) 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

(ii) 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 operating 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.

35. SEGMENT INFORMATION (CONTINUED)

	Port Operations RM'000	Bulking Services RM'000	Others RM'000	Consolidation Adjustments and Eliminations RM'000	Note	Per Consolidated Financial Statements RM'000
31 December 2021						
Revenue:						
External customers (Note 4)	691,884	43,370	-	-		735,254
Inter-segment	10,800	5,678	165,145	(181,623)		-
Total revenue	702,684	49,048	165,145	(181,623)		735,254
Results:						
Interest income	12,113	571	2,011	-		14,695
Guarantee fee income	-	-	1,411	(1,411)		-
Depreciation and amortisation	219,879	9,289	1,134	-		230,302
Other non-cash expenses	59,015	1,176	299	-	A	60,490
Segment profit	116,470	17,898	115,558	(123,611)	B	126,315
Assets:						
Additions to non-current assets	24,602	5,665	1,544	-	C	31,811
Segment assets	2,808,762	176,407	1,229,636	(1,062,541)	D	3,152,264
Segment liabilities	1,438,792	29,285	19,523	(25,433)	E	1,462,167

35. SEGMENT INFORMATION (CONTINUED)

	Port Operations RM'000	Bulking Services RM'000	Others RM'000	Consolidation Adjustments and Eliminations RM'000A	Note	Per Consolidated Financial Statements RM'000
31 December 2020						
Revenue:						
External customers (Note 4)	669,285	46,419	-	-		715,704
Inter-segment	10,263	6,332	168,616	(185,211)		-
Total revenue	679,548	52,751	168,616	(185,211)		715,704
Results:						
Interest income	17,225	675	1,299	-		19,199
Guarantee fee income	-	-	1,339	(1,339)		-
Depreciation and amortisation	206,703	9,064	1,058	-		216,825
Other non-cash expenses	66,044	1,185	229	-	A	67,458
Segment profit	112,699	22,320	118,186	(126,539)	B	126,666
Assets:						
Additions to non-current assets	18,225	823	818	-	C	19,866
Segment assets	2,665,773	176,011	1,166,159	(1,054,807)	D	2,953,136
Segment liabilities	1,544,164	29,621	21,004	(19,108)	E	1,575,681

A Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	Group	
	2021 RM'000	2020 RM'000
Staff gratuities	**-**	1,001
Maintenance dredging costs	**27,434**	36,399
Replacement costs	**8,863**	5,006
Directors' gratuities	**299**	229
Unwinding of discount	**23,894**	24,653
Inventories written off	**-**	170
	60,490	67,458

35. SEGMENT INFORMATION (CONTINUED)

B The following items are deducted from segment profit to arrive at "Profit before tax from continuing operations" presented in the consolidated statement of profit or loss:

	Group	
	2021 RM'000	2020 RM'000
Dividend income	**(122,200)**	(125,200)
Guarantee fee income	**(1,411)**	(1,339)
	(123,611)	(126,539)

C Additions to non-current assets consist of:

	Group	
	2021 RM'000	2020 RM'000
Property, plant and equipment	**13,121**	10,476
Intangible assets	**18,690**	9,390
	31,811	19,866

D The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Investment in subsidiaries	**(1,051,900)**	(1,051,900)
Inter-segment receivables	**(10,641)**	(2,907)
	(1,062,541)	(1,054,807)

E The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Inter-segment payables	**(25,433)**	(19,108)

F Revenue from one (2020: one) major customer amounted to RM159 million (2020: RM177 million) representing 22% (2020: 25%) of the total Group's revenue.

35. SEGMENT INFORMATION (CONTINUED)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Malaysia	**697,517**	682,467	**1,696,006**	1,872,562
Brunei	**37,737**	33,237	**2,430**	25,339
	735,254	715,704	**1,698,436**	1,897,901

Non-current assets information presented above consist of the following items as presented in the Group's statement of financial position:

	2021 RM'000	2020 RM'000
Property, plant and equipment	**251,487**	273,352
Right-of-use assets	**56,073**	92,336
Intangible assets	**1,390,876**	1,532,213
	1,698,436	1,897,901

36. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 December 2021 under the single tier system.

37. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 17 March 2022.

INDEPENDENT AUDITORS' REPORT

to the members of Bintulu Port Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Bintulu Port Holdings Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 115 to 194.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

Impairment assessment of (a) concession intangible assets and (b) investment in a subsidiary
(Refer to Note 2.11, Note 3.2(a), Note 15 and Note 16 to the financial statements)

(a) Concession intangible assets

The Group is required to perform impairment test of cash-generating units ("CGU") whenever there is indication that the CGU may be impaired by comparing the carrying amount with its recoverable amount. The continued loss reported by a subsidiary, Samalaju Industrial Port Sdn. Bhd. ("SIPSB"), was identified by the management as an indication that the carrying amount of the related concession intangible assets of RM1,257 million (representing 40% of the Group's total assets) may be impaired. Accordingly, the Group estimated the recoverable amount of the concession intangible assets of SIPSB using value in use ("VIU"). Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the CGU, and discounting them at an appropriate rate.

(b) Investment in a subsidiary

The continued loss reported by SIPSB as mentioned above indicates that the carrying amount of investment in SIPSB may also be impaired. The carrying amount of investment in SIPSB was RM712 million, representing 58% of the Company's total assets. Considering SIPSB's underlying assets comprise the concession intangible assets as stated in (a), the management estimated the recoverable amount of the investment using the same VIU.

We focus on the impairment reviews above due to their significance to the Group and the Company and significant judgements and estimates were involved in the assessment of possible variations in the amount and timing of cash flows and the determination of an appropriate discount rate for SIPSB.

To address the key audit matters, our audit procedures included, among others evaluating the assumptions and methodologies used by the Group and the Company, in particular the assumptions to which the recoverable amount of the CGUs is most sensitive such as the cargo volume projections and discount rate by performing the following:

(a) evaluated the reasonableness of projected cargo volume by comparing to past actual outcomes and corroborating the expected volume of the port users with available public information and customer survey data, where applicable;

(b) together with EY valuation specialists, evaluated the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the current market assessments of the time value of money and the risks specific to the asset;

(c) assessed the sensitivity of the cash flows to changes in the discount rate and projected cargo volume; and

(d) evaluated the adequacy of the related disclosures in the financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the Group's 2021 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (Continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT	Najihah Binti Khalid
202006000003 (LLP0022760-LCA) & AF 0039	No. 03249/10/2022 J
Chartered Accountants	Chartered Accountant

Kuala Lumpur, Malaysia
17 March 2022

SHAREHOLDINGS STATISTICS

As at 28 February 2022

1. ANALYSIS OF HOLDINGS

Size of Holdings	No. of Holders		No. of Shares		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1 - 99	70	3	560	148	0.000	0.000
100 - 1,000	580	16	479,731	10,496	0.104	0.002
1,001 - 10,000	607	6	2,461,480	18,500	0.535	0.004
10,001 - 100,000	116	8	3,099,300	209,200	0.673	0.045
100,001 - 22,999,999 (*)	22	4	72,128,485	1,278,200	15.680	0.277
23,000,000 and above (**)	5	0	380,313,900	0	82.676	0.000
Total	1,400	37	458,483,456	1,516,544	99.668	0.328

* Less than 5% of issued shares
** 5% and above of issued shares

2. LIST OF TOP THIRTY (30) HOLDERS

No.	Name of Holders	Shareholdings	%
1.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Exempt an for Petroliam Nasional Berhad	131,171,000	28.515
2.	State Financial Secretary Sarawak	122,701,000	26.674
3.	Equisar Assets Sdn. Bhd.	60,000,000	13.043
4.	Kumpulan Wang Persaraan (Diperbadankan)	42,190,500	9.171
5.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	24,251,400	5.272
6.	Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (1)	17,000,000	3.695
7.	MISC Berhad	10,619,000	2.308
8.	Amanahraya Trustees Berhad Amanah Saham Bumiputera	8,980,485	1.952
9.	Amanahraya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	8,400,200	1.826
10.	Amanahraya Trustees Berhad Amanah Saham Malaysia	5,500,000	1.195
11.	Wong Lok Jee @ Ong Lok Jee	4,168,000	0.906
12.	Amanahraya Trustees Berhad Public Islamic Select Treasures Fund	3,974,800	0.864
13.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	3,428,500	0.745
14.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3 - Didik	3,000,000	0.652
15.	Amanahraya Trustees Berhad Public Islamic Dividend Fund	2,492,300	0.541

No.	Name of Holders	Shareholdings	%
16.	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	888,500	0.193
17.	Shoptra Jaya (M) Sdn. Bhd.	742,200	0.161
18.	Loh Kah Wai	702,000	0.152
19.	Neoh Choo Ee & Company, Sdn. Berhad	658,500	0.143
20.	Maybank Nominees (Tempatan) Sdn. Bhd. Mtrustee Berhad For Tabung Baitulmal Sarawak (Majlis Islam Sarawak)(FM-ASSAR-TBS)(419511)	588,000	0.127
21.	Koperasi Jayadiri Malaysia Berhad	500,000	0.108
22.	RHB Nominees (Asing) Sdn. Bhd. Pledged Securities Account For Loh Kah Wai	300,000	0.065
23.	Maybank Nominees (Tempatan) Sdn. Bhd. Etiqa Family Takaful Berhad (Family)	281,400	0.061
24.	Seumas Tan Nyap Tek	219,300	0.047
25.	Ahmat Bin Narawi	205,000	0.044
26.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An For UBS AG Singapore (Foreign)	156,000	0.033
27.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Nik Abd Rahman Bin Nik Ismail (BPH 1)	154,100	0.033
28.	Public Invest Nominees (Asing) Sdn. Bhd. Pledged Securities Account For Muhamad Aloysius Heng (M)	120,200	0.026
29.	Yong Ai Ting	115,000	0.025
30.	Tan Wui Yee	111,200	0.024

3. SUBSTANTIAL SHAREHOLDERS

No.	Name of Holders	Shareholdings	%
1.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Exempt an for Petroliam Nasional Berhad	131,171,000	28.515
2.	State Financial Secretary Sarawak	122,701,000	26.674
3.	Equisar Assets Sdn. Bhd.	60,000,000	13.043
4.	Kumpulan Wang Persaraan (Diperbadankan)	42,190,500	9.171
5.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	24,251,400	5.272
	Total	**380,313,900**	**82.676**

SUMMARY OF EQUIPMENT & FACILITIES

As at 28 February 2022

Description		Total Capacity/Area		
Type Of Berth	No. of Berth / Jetty	Length (meter)	Depth (meter)	Max Vessel Size (dwt)
Bintulu Port Sdn. Bhd.				
General Cargo Wharf	3	514.5	10.5	25,000
Bulk Cargo Wharf	1	270	13.5	60,000
LNG Jetty	3	-	15.0	80,000
LPG Jetty (Decommisioned until further notice)	1	289	11.0	51,000
Petrochemical Terminal	2	380	11.0	30,000
Shell MDS Jetty	1	200	13.0	40,000
Container Terminal	2	450	14.0	55,000
Edible Oils Terminal	2	220	14.0	50,000
	1 (Barge Berth)	120	9.0	10,000
Single Buoy Mooring	2	-	19.5	320,000
Oil Barge Berth	1	65	7.0	2,000
Coastal Terminal	1	120	4.5	1,000
Multipurpose Terminal	5	950	14.0	55,000
Bunkering Berth (MPT 10)	1	45	4.5	8,000
Samalaju Industrial Port Sdn. Bhd.				
Barge Berth	2	320	7	8,000
Ro Ro Ramp	1	20	7	8,000

Type Of Storage	Units	Area (m^2)
General Cargo Wharf		
Transit Shed	2	10,000
- Transit Shed 1		5,000
- Transit Shed 2		2,860
- Timber Yard		2,140
- Storage Godown	3	7,200 (each Storage Godown area: 2,400 m^2)
- Open Storage Area	16 Block (each bay length: 127.60 m) (each bay width : 18.25 m)	71,900
- Ringger Warehouse	1	2,376
Multipuprose Teminal		
- Timber Shed	2	7,800 m^2 each
- Hazardous Godown	1	1,200 m^2
- Open Yard	6 Block A/B (each bay length: 55.22 m) (each bay width: 15.86 m)	17,160 m^2

SUMMARY OF EQUIPMENT & FACILITIES

As at 28 February 2022

Type Of Storage	Units	Area (m²)
Container Terminal		
- RTG Block	26	2,496 Ground Slots*
- RSD Block	8	640 Ground Slots*
- Customs Examination Area	1	12 Ground Slots*
- Dangerous Goods Storage	1	84 Ground Slots*
- Reefer Points	1	84 Ground Slots*
- On-Dock Depot (ODD)	5	442 Ground Slots* *(Twenty Footer)

Type Of Vessels	Units	Capacity
Mooring Boat	3	-
Mooring Boat (Charter)	1	-
Shiphandling Tug 45 Tons	3	45 tonnes bollard pull
Shiphandling Tug 45 Tons (Charter)	5	45 tonnes bollard pull
Shiphandling Tug 25 Tons	3	25 tonnes bollard pull
Shiphandling Tug 25 Tons (Charter)	2	25 tonnes bollard pull
Pilot Boat	2	-
Pilot Boat (Charter)	3	-
Patrol Boat	3	-
Patrol Dinghy	1	-
Fiberglass Patrol Boat	1	-

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Container Handling Equipment		
Quay Crane (i) Post-Panamax (ii) Panamax	 2 2	 40.6 (Under Spreader), 50 (Cargo Beam)
Rubber Tyred Gantry Crane (i) 4+1 high with 6+1 row (ii) 6+1 high with 6+1 row	 4 10	 40.6 (Under Spreader)
Reach Stacker	8	45
Terminal Tractor	41	60
Container Trailer	49	40
Heavy Forklift	4	8
LPG Forklift	2	3

SUMMARY OF EQUIPMENT & FACILITIES

As at 28 February 2022

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Container Handling Equipment		
Battery Powered Forklift	2	3
Empty Reach Stacker	2	10
Cargo Handling Equipment		
Heavy Forklift (Diesel)	6	8
Forklift (Diesel)	44	4
Extra Heavy Forklift (Diesel)	1	25
LPG Forklift	1	3
Battery Powered Forklift	1	3
Battery Powered Reach Truck	1	1.5
Battery Powered Side Tracker	1	1.5
Terminal Tractor	27	60
Platform Trailer	32	40
Mobile Truck Crane	1	50
Bulking Machinery & Equipments		
Oil Fired Package Boilers	4	6,000kg/hr (Steam Generation)
Pumpsets (Pump House A) Road Tanker Pump - 7 Export Pump - 8	15	250-350 mt/hr (for Export pump) 115mt/hr (for Road Tanker Pump)
Pumpsets (Pump House B) Road Tanker Pump - 6 Export Pump - 6	12	250-350 mt/hr (for Export Pump) 115mt/hr (for Road Tanker Pump)
Tonnes Toyota Forklift	1	2.5 tonnes
Tonnes RY Forklift	2	3.0 tonnes
Ingersoll-Rand Air Compressor Comp-Air Air Compressor	4 2	(427 CFM) (420 CFM)
Diesel Standby Generator Set	1	500kVA
Pressure Vessel	3	30 m^3
Samalaju Industrial Port Handling Equipment		
Quay Equipment Portable Hoppers	6	Hopper Bin Volume : 30 m^3, 40 m^3 and 55 m^3
Level Luffing Cranes	3	Under Grab : 25T SWL Under Hook : 40T SWL
Mobile Harbour Cranes	2	Under Grab : 52T Under Hook : 84T SWL Under Spreader : 41T SWL
Remote Control Grabs	4	Grab Volume : 5 - 10 m^3

SUMMARY OF EQUIPMENT & FACILITIES
As at 28 February 2022

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Samalaju Industrial Port Handling Equipment		
Yard Equipment		
Material Handlers	5	Under Grab : 8T SWL Under Hook : 20T SWL Under Spreader : 9T SWL
Reach Stackers	2	45T
Dump Trucks	8	35T
Terminal Tractors	8	Towing Capacity : 70T
Container Trailers	4	40T SWL
Platform Trailers	4	40T SWL
Extra Heavy Forklifts	1	25T
Heavy Forklifts	2	8T
High Mast Forklift	10	4T
Low Mast Forklifts	2	4T
Excavator	7	Operating weight : 13.5T & 22.5T Bucket volume : 0.54 m^3 & 1.2 m^3
Wheel Loaders	2	Operating Weight : 17.2T Bucket volume : 3.6 m^3 Lifting Capacity : 5T
Skid Steer Loaders	4	Operating Weight : 3.3T Bucket volume : 0.4 m^3 Lifting capacity : 1.7T
Conveyor System Facilities		
Conveyor Belt Line-A	1	600 TPH (max.)
Conveyor Belt Line-B	2	1,200 TPH (max.)
Conveyor Belt Line-C	3	1,200 TPH (max.)
Conveyor Belt Line-D	2	1,200 TPH (max.)
Stacker 1 (Stockpile 1)	1	3,000 TPH (max.)
Stacker 2 (Stockpile 2)	1	1,200 TPH (max.)
Stacker 3 (Stockpile 3)	1	1,200 TPH (max.)

Bulking Facilities	No. of Units/ Facilities	Capacity (Metric Tonnes)
2,600 MT Tank	19	49,400
2,000 MT Tank	42	84,000
1,000 MT Tank	16	16,000
650 MT Tank	8	5,200
Export Pipelines	17	-
Bulking Pipelines	16	-

LIST OF PROPERTIES

As at 28 February 2022

Location	Description	Tenure (Years)	Area sq. ft.
Land:			
Part of Lot 15 & 37 (Alienated Land), Tanjung Kidurong, Kemena Land District, Bintulu, Sarawak.	The surveyed land area identified in the Agreement to sub-Lease (Alienated Land) dated 31.12.1992	Leasehold (Expiring in 2022)	4,415,170
Part of Lot 15 & 37 (BICT Land) Tanjung Kidurong, Kemena Land District, Bintulu, Sarawak.	The surveyed land area which covers the BICT	Leasehold (Expiring in 2022)	2,693,040

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Building, structures & improvements:			
Built on Alienated Land			
Single Storey Office Building	27	6,935	67
Built on BICT Land			
Receipt & Delivery Building	24	12,110	87
Gate House	24	5,015	29
Crane Service Station	24	9,300	36
Crane Service Workshop (Extension)	14	3,488	58
Custom Examination Shed	5	2,583	3
Canteen Building	24	11,959	333
Marine Operation Building	24	16,534	147
Marine Maintenance Building	24	9,300	55
Wisma Kontena Building	24	69,727	480
Access Road (including 2 bridges)	22	-	445
Container Stacking Yard	24	1,937,229	2,644
Empty Container Stacking Yard	24	282,143	201
New Storage Yard	13	-	33
Container Stacking Yard (BICT Extension)	26	618,279	4,401
Upgrading Work to Open Storage Yard at BICT	12	1,216,935	375
Main Intake Substation	11	2,174	50
Quay Crane Substation	26	1,485	28
CFS Substation Marine	24	904	15
Marine Operation Substation	24	1,098	5
Wharves 4 & 5	24	168,053	2,341
Small Craft Harbour	24	-	359
Coastal Terminal / Gravel Jetty	24	9,085	31
Bulk Fertiliser Warehouse	24	21,700	491
Container Freight Station	17	65,390	1,570
CFS Pit Type Weighbridge	11	-	1,153
Mooring Service Building	11	-	585

LIST OF PROPERTIES
As at 28 February 2022

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Building, structures & improvements: (Continued)			
Built on BICT Land (Continued)			
Lub Oil Storage Shed	8	-	17
Schedule Waste Storage	8	-	92
Empty Container Stacking Yard (extension)	8	-	425
Asphaltic Concrete Pavement near Coastal Terminal	8	-	535
Built on Multi Purpose Terminal Land (950 Meter Wharf)			
MPT Open Storage Yard	12	859,815	1,790
500m Ex-BPP Wharf at MPT	12	46,177	1,638
Transit Shed 1	12	95,723	1,052
Transit Shed 3	11	95,723	734
Plant Maintenance Workshop	11	23,182	416
Hazardous Goods Godown	11	17,823	419
Operator's Resthouse	11	2,809	66
M&E Plant Room	11	3,263	173
MPT Operational Gate	11	1,791	110
MPT Weighbridge	11	32,258	27
New Stone Base (Gravel) Area	10	22,604	20
Workers Resting Area at MPT	10	2,190	25
Temporary Bunkering Facility at MPT10	7	5,301	44
Built on 2nd Inner Harbour Land			
Edible Oil Terminal	**16**	**44,215**	**7,724**
Bulking Building : Built on 2nd Inner Harbour Land			
Buildings			
Administrative Building	17	6,272	382
M&E Block A Building	17	3,833	167
M&E Block B Building	17	3,005	146
Pump House A	17	14,592	295
Pump House B	11	13,612	1,250
Operator Rest House	9	784	127
One Stop Sampling Store	8	-	63
Samalaju Industrial Port Building and Structures			
Interim Port Facility			
Access Road	8	437,876	10,756,625
Breakwater & Revetment	8	552m (length)	29,897,017
Wharf	8	146,820	59,677,994
Fender system	8	74 (nos)	
Navigation Lighting System	8	-	
Check Point Building	8	513.44	1,653,295
Weigh Bridges	8	-	1,275,283

LIST OF PROPERTIES
As at 28 February 2022

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Samalaju Industrial Port Building and Structures (Continued)			
Operation Buildings			
Office Block A	8	7,408	715,791
Office Block B	8	7,408	657,693
Worker Rest Shed	8	4,347	422,355
Canteen	8	4,639	430,458
Maintenance Shed	8	8,816	775,139
Guard House	8	384	74,367
Miscellaneous Building	8	-	1,716,926
Administration Building and Control Tower			
Administration Building and Control Tower	5	20,700	19,333,772
Central Utilities Building Admin	5	3198	738,947
Guard House	5	135	54,504
Access Road	5		4,531,753
On-Shore Facilities			
Warehouse Type 1 (Enclosed)	5	38,750	6,592,878
Warehouse Type 2 (Open)	5	31,000	4,690,155
Central Utilities Building 1	5	2,906	488,763
Central Utilities Building 2	5	2,906	942,745
Central Utilities Building 3	5	2,906	
Central Utilities Building 4	5	3,982	774,513
Access Roads and Platforming (Stockpile)	5	3,181,811	72,265,212
Electrical Works			3,554,733
Weigh Bridge (2 no.)			2,046,966
Security Fencing			2,230,172
Wharves Facilities			
Handymax Wharf No.1 (including 2 nos. of Link bridges)	5	136,739	
Handymax Wharf No.2	5	96,972	151,474,111
Handymax Wharf No.3	5	91,660	
Handymax Wharf No.4	5	84,154	40,458,481
Handysize Wharf (including 2 nos. Of Link Bridges)	5	128,042	62,518,395
Tug Boat Jetty	5	3,789	3,821,504
Berth Amenity Shed	5	2,309	470,033
CUB Crane	5	4,361	734,701
2 nos. Beacon Light Tower	5	264	2,970,444
Breakwater			
Southern Breakwater	5	1.6 km (length)	153,529,588
Northern Breakwater	5	1.9 km (length)	148,132,919

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 26th Annual General Meeting ("AGM") of Bintulu Port Holdings Berhad ("the Company") will be conducted entirely through live streaming from the Broadcast Venue at Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 28 April 2022 at 10.00 a.m. for the following purposes:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31 December 2021 together with the Reports of the Directors and the Auditors thereon.
(Please refer to Explanatory Note A)

2. To approve the payment of Directors' Fees of up to RM1,877,200.00 for the period from April 2022 to the next AGM of the Company in 2023 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies. **(Resolution 1)**
(Please refer to Explanatory Note B)

3. To approve the payment of Directors' benefits payable of up to RM882,500.00 for the period from April 2022 to the next AGM of the Company in 2023 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies. **(Resolution 2)**
(Please refer to Explanatory Note C)

4. To re-elect the following Directors who retire pursuant to Clause 24.5 of the Company's Constitution and, being eligible, have offered themselves for re-election:

   i. **Dato Sri Fong Joo Chung** **(Resolution 3)**

   ii. **Datuk Nozirah binti Bahari** **(Resolution 4)**

   iii. **(Dr.) Salihin bin Abang** **(Resolution 5)**

   (Please refer to Explanatory Note D)

5. To re-elect the following Directors who retire pursuant to Clause 24.12 of the Company's Constitution and, being eligible, have offered themselves for re-election:

   i. **Dato' Abdul Mutalib bin Alias** **(Resolution 6)**

   ii. **Mohamed Syazwan bin Abdullah @ Laga** **(Resolution 7)**

   iii. **Hasmawati binti Sapawi** **(Resolution 8)**

   (Please refer to Explanatory Note E)

6. To re-appoint Messrs. Ernst & Young PLT, the retiring Auditors, as the Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix their remuneration. **(Resolution 9)**
(Please refer to Explanatory Note F)

7. To transact any other business for which due notice has been given in accordance to Section 340(1)(d) of the Companies Act 2016 and the Company's Constitution.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a Member who shall be entitled to attend, speak and vote at this 26th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Malaysia Depository") in accordance with Clause 22.16 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at **18 April 2022**. Only a depositor whose name appears on the ROD as at **18 April 2022** shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

By Order of the Board,

ROSLI BIN IDRIS
(MIA15730) (SSM Practising Certificate No.: 201908003924)

SHARIFAH RAFIDAH BINTI WAN MANSOR
(LS0009456) (SSM Practising Certificate No.: 201908003039)

Company Secretaries
Bintulu, Sarawak
31 March 2022

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. **IMPORTANT NOTICE**

   The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting.

   Shareholders will not be allowed to attend this 26th AGM in person at the Broadcast Venue on the day of the meeting.

   Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at this AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at https://tiih.online.

   Please read these Notes carefully and follow the procedures in the Administrative Guide for the AGM in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository to make available to the Company, the ROD as at **18 April 2022**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.

3. A member who is entitled to participate in this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.

4. A member of the Company who is entitled to attend and vote at an AGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the AGM.

5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of Bursa Malaysia.

6. Where a member of the Company is an authorised nominee as defined in the SICDA, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

8. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of SICDA.

9. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

10. A member who has appointed a proxy or attorney or authorised representative to participate at AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIIH Online website at https://tiih.online. Procedures for RPV can be found in the Administrative Guide for the AGM.

11. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

    In hard copy form –

    In the case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

    By electronic means –

    The Form of Proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online. Kindly refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of Form of Proxy via TIIH Online.

12. Please ensure ALL the particulars as required in this Form of Proxy are completed, signed and dated accordingly.

13. Last date and time for lodging this Form of Proxy is **10.00 a.m., 26 April 2022 (Tuesday)**.

14. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote.

15. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

16. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:

    (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.

    (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:

        (a) at least two (2) authorised officers, of whom one shall be a director; or

        (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

EXPLANATORY NOTES TO THE NOTICE OF AGM

Explanatory Note A

17. The Audited Financial Statements is laid in accordance with Section 340(1)(a) of the Companies Act 2016 and meant for discussion only as the Audited Financial Statements do not require shareholders' approval under the provision of Section 251(1) of the Companies Act 2016. As such, this Agenda item is not to be put forward for voting.

Explanatory Note B for Resolution 1

18. Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the directors, and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

19. During the previous 25th AGM of the Company held on 28 April 2021, approval was given by the Shareholders for the payment of Directors' fees and benefits payable starting from 1 May 2021 until the next AGM of the Company in 2022.

20. **Resolution 1**: To approve the payment of Directors' fees of up to **RM1,877,200.00** for the period from April 2022 to the next AGM of the Company in 2023 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

    The estimated amount of up to **RM1,877,200.00** for the payment of Directors' fees to the Non-Executive Directors of the Company is based on the following:

Company	Designation	Director's Fees per Month (RM)
Bintulu Port Holdings Berhad	Chairman	12,000.00
	Non-Executive Directors (Members)	8,500.00
Bintulu Port Sdn. Bhd./Biport Bulkers Sdn. Bhd./ Samalaju Industrial Port Sdn. Bhd. (Subsidiaries)	Chairman	6,000.00
	Non-Executive Directors (Members)	4,200.00

Explanatory Note C for Resolution 2

21. **Resolution 2**: To approve the payment of Directors' benefits payable of up to **RM882,500.00** for the period from April 2022 to the next AGM of the Company in 2023 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

    The estimated amount of up to **RM882,500.00** for the Directors' benefits payable to the Non-Executive Directors of the Company is based on the following:

Allowances and Benefits	Chairman	Members
Meeting Allowance (Per Meeting)	**(RM)**	
Bintulu Port Holdings Berhad Board	3,000.00	2,000.00
*Audit and Risk Committee	2,000.00	1,500.00
Nomination and Remuneration Committee	2,000.00	1,500.00
Finance and Investment Committee	2,000.00	1,500.00
*Risk Committee	2,000.00	1,500.00
Bintulu Port Sdn. Bhd. Board	2,000.00	1,500.00
Biport Bulkers Sdn. Bhd. Board	2,000.00	1,500.00
Samalaju Industrial Port Sdn. Bhd. Board	2,000.00	1,500.00
Monthly Fixed Allowance	4,500.00 per month	Not Applicable
Other Benefits	Medical coverage, travel and other claimable benefits	

* *Note: The separation of the Audit and Risk Committee (ARC) of Bintulu Port Holdings Berhad into* ***Audit Committee (AC)*** *and* ***Risk Committee (RC)*** *was approved in Special Board of Directors' Meeting No. 9/2021 held on 28 September 2021.*

Explanatory Note D for Resolutions 3, 4, and 5

22. Clause 24.5 of the Company's Constitution expressly states that an election of Directors shall take place each year. At every AGM, one-third of the Directors (whether Government Appointed Directors or not) who are subject to retirement by rotation or, if their number is not three (3) or a multiple of three (3), the number nearest to one-third shall retire from office, and if there is only one (1) Director who is subject to retirement by rotation, he shall retire PROVIDED ALWAYS that all Directors shall retire from office once at least in each three (3) years.

23. Pursuant to Clause 24.5, the following are the Directors retiring and standing for re-election at the 26th AGM:

i.	Dato Sri Fong Joo Chung	**(Resolution 3)**
ii.	Datuk Nozirah binti Bahari	**(Resolution 4)**
iii.	(Dr.) Salihin bin Abang	**(Resolution 5)**

Explanatory Note E for Resolutions 6, 7, and 8

24. Clause 24.12 of the Company's Constitution expressly states that the Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting of the company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Provided that if the vacancy should arise from the resignation or removal of a Director representing the Special Shareholder, the vacancy shall be filled by a person nominated by the Special Shareholder.

25. Pursuant to Clause 24.12, the following Directors are standing for re-election at the 26th AGM:

i.	Dato' Abdul Mutalib bin Alias	**(Resolution 6)**
ii.	Mohamed Syazwan bin Abdullah @ Laga	**(Resolution 7)**
iii.	Hasmawati binti Sapawi	**(Resolution 8)**

26. The profiles of the Directors standing for re-elections are provided on pages 66, 68, 69, 71, 74 and 75 of the Board of Directors' Profile in the Integrated Annual Report 2021.

Explanatory Note F for Resolution 9

27. Pursuant to Section 271(3)(b) of the Companies Act 2016, shareholders shall appoint Auditors who shall hold office until the conclusion of the next AGM in 2023. The current Auditors have expressed their willingness to continue in office and the Board of Directors has recommended their reappointment. The shareholders shall consider this resolution and to authorise the Board of Directors to determine their remuneration thereof.

28. The Audit Committee and the Board of Directors of Bintulu Port Holdings Berhad have considered the re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company and collectively agreed that Messrs. Ernst & Young PLT has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

CORPORATE INFORMATION

COMPANY SECRETARY

ROSLI BIN IDRIS (MIA 15730)
Tel : +60 86 291257
Fax : +60 86 254062
Email : rosli@bintuluport.com.my

PRINCIPAL BANKER

CIMB BANK BERHAD

STOCK EXCHANGE LISTING

MAIN MARKET
Bursa Malaysia Securities Berhad
(Listed since 16 April 2001)

AUDITOR

ERNST & YOUNG PLT
Chartered Accountants
Level 23A, Menara Milenium
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Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia
Tel : +603 7495 8000
Fax : +603 2095 5332

REGISTRAR

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Email : is.enquiry@my.tricorglobal.com

REGISTERED OFFICE

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97000 Bintulu, Sarawak, Malaysia
Tel : +60 86 291001 (30 Lines)
Fax : +60 86 254062 / 253597
Email : customerservice@bintuluport.com.my
Website : http://www.bintuluport.com.my

SUBSIDIARIES

BINTULU PORT SDN. BHD.
[Registration No. 199201022892 (254396-V)]

BIPORT BULKERS SDN. BHD.
[Registration No. 200301032726 (635147-V)]

SAMALAJU INDUSTRIAL PORT SDN. BHD.
[Registration No. 199601033993 (406345-H)]

GLOSSARY

3Ps	Profits, People, Planet
ASEAN	Association of Southeast Asian Nations
BBSB	Biport Bulkers Sdn. Bhd.
BDDMC	Bintulu Division Disaster Management Committee
BICT	Bintulu International Container Terminal
BNM	Bank Negara Malaysia
BPA	Bintulu Port Authority
BPHB	Bintulu Port Holdings Berhad
BPSB	Bintulu Port Sdn. Bhd.
BRP	Business Response Plan
CAPEX	Capital Expenditure
CCMP	Close Contact Management Plan
CMEA	Chief Minister's Environmental Award
COMMIT	Cost Management Initiative
CSI	External Customer Satisfaction Index
DIFOT	Delivery in full and on time
DOE	Department of Environment
DWT	Deadweight Tonnage
FPX	Financial Process Exchange
GRC	Governance, Risk and Compliance
HSE	Health, Safety and Environment
IIRC	International Integrated Reporting Council
IMF	International Monetary Fund
LNG	Liquefied Natural Gas
LNG ISO Tank	An ISO container is an international intermodal container that is manufactured according to the specifications outlined by the International Organization for Standardization
LTIF	Lost Time Injury Frequency
MCCG 2021	Malaysian Code on Corporate Governance 2021
MFRS	Malaysian Financial Reporting Standards
MMLR	Main Market Listing Requirements
OEPD	Operational Excellence Performance Delivery
PENJANA	Short-term Economic Recovery Plan
PKRC	Pusat Kuarantin dan Rawatan COVID-19 Berisiko Rendah
PPE	Personal Protective Equipment
QR code	Quick Response code
RDT	Radio Data Terminal
SCORE	Sarawak Corridor of Renewable Energy
SDGP	Smart Digital Green Port
SDMC	State Disaster Management Committee
SIP	Samalaju Industrial Park
SIPSB	Samalaju Industrial Port Sdn. Bhd.
SOPs	Standard Operating Procedures
TIIP	Teamwork, Integrity, Innovation, Professionalism
UAUC	Unsafe Acts and Unsafe Conditions
UTAP Transformation Programme	a programme to implement the three lines of defence mechanism that will help the Group mitigate all forms of significant risks
VMT	Vehicle Mounted Terminal
VPN	Virtual Private Network
ZEFA	Zero Fatality and Accidents

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