

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



**Unaudited Condensed Consolidated
Financial Statements
31 March 2023**

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
 POSITION AS AT 31 MARCH 2023**

	31 March, 2023 (UNAUDITED)	31 December, 2022 (AUDITED)
	RM'000	RM'000
ASSETS		
Non- current assets		
Property, plant and equipment	243,724	248,929
Right of use assets	44,575	47,573
Intangible assets	1,387,700	1,229,534
Deferred tax assets	305,265	302,351
Trade and other receivables	10,474	10,450
	1,991,738	1,838,837
Current assets		
Inventories	3,754	3,662
Tax recoverable	43,471	54,364
Trade and other receivables	74,058	88,285
Investment in securities	437,851	430,588
Cash and cash equivalents	744,109	684,533
	1,303,243	1,261,432
TOTAL ASSETS	3,294,981	3,100,269

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION AS AT 31 MARCH 2023 (Continued)**

	31 March, 2023 (UNAUDITED)	31 December, 2022 (AUDITED)
	RM'000	RM'000
EQUITIES AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	890,818	890,818
Foreign currency translation reserve	1,205	953
Retained earnings	871,177	862,498
Total Equity	1,763,200	1,754,269
Non-current liabilities		
Other Payables	80,890	78,228
Loan and borrowings	943,731	943,359
Lease liabilities	232,507	167,385
Provisions	39,992	37,489
Deferred tax liabilities	8,672	12,464
	1,305,792	1,238,925
Current liabilities		
Other payables	55,155	53,763
Lease liabilities	123,993	13,828
Provisions	46,539	39,193
Income tax payable	302	291
	225,989	107,075
Total liabilities	1,531,781	1,346,000
TOTAL EQUITY AND LIABILITIES	3,294,981	3,100,269
NET ASSET PER SHARE (RM)	3.83	3.81

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

	Individual quarter			Cumulative quarter		
	ended 31 March		Changes	ended 31 March		Changes
	2023 RM'000	2022 RM'000	%	2023 RM'000	2022 RM'000	%
Revenue from operations	187,893	198,105	(5.15)	187,893	198,105	(5.15)
Revenue from construction services	446	-	-	446	-	-
	188,339	198,105	(4.93)	188,339	198,105	(4.93)
Other income	6,276	1,570	299.75	6,276	1,570	299.75
Cost of construction services	(446)	-	-	(446)	-	-
Staff costs	(44,736)	(29,824)	50.00	(44,736)	(29,824)	50.00
Maintenance and operational supplies	(36,239)	(34,959)	3.66	(36,239)	(34,959)	3.66
Administrative expenses	(7,885)	(7,153)	10.23	(7,885)	(7,153)	10.23
Amortisation	(33,205)	(38,482)	(13.71)	(33,205)	(38,482)	(13.71)
Depreciation	(9,466)	(17,381)	(45.54)	(9,466)	(17,381)	(45.54)
Provision for replacement cost	(2,082)	(1,936)	7.54	(2,082)	(1,936)	7.54
	(134,059)	(129,735)	3.33	(134,059)	(129,735)	3.33
Operating Profit	60,556	69,940	(13.42)	60,556	69,940	(13.42)
Finance cost	(36,521)	(17,479)	108.94	(36,521)	(17,479)	108.94
Finance income	7,607	3,764	102.10	7,607	3,764	102.10
Profit before tax	31,642	56,225	(43.72)	31,642	56,225	(43.72)
Income tax expense	(9,163)	(15,161)	(39.56)	(9,163)	(15,161)	(39.56)
Profit net of tax, representing total comprehensive income for the period	22,479	41,064	(45.26)	22,479	41,064	(45.26)
Basic earnings per share (sen)	4.89	8.93	(45.26)	4.89	8.93	(45.26)

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED
 STATEMENTS OF CHANGES IN EQUITY
 FOR THE THREE MONTHS ENDED 31 MARCH 2023 & 31 MARCH 2022**

	Share capital RM'000	Retained Earnings RM'000	Foreign translation reserve RM'000	Total RM'000
Opening balance at 1 January, 2023	890,818	862,498	953	1,754,269
Total comprehensive income	-	22,479	-	22,479
Foreign currency translation ¹	-	-	252	252
<i>Transaction with owners</i>				
Dividend paid / payable	-	(13,800)	-	(13,800)
Closing balance at 31 March, 2023	890,818	871,177	1,205	1,763,200
Opening balance at 1 January, 2022	890,818	799,174	105	1,690,097
Net profit for the period	-	41,064	-	41,064
Foreign currency translation ¹	-	-	94	94
<i>Transaction with owners</i>				
Dividend payables	-	(13,800)	-	(13,800)
Closing balance at 31 March, 2022	890,818	826,438	199	1,717,455

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

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2022 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2023 & 31 MARCH 2022**

	3 months ended 31 March, 2023 RM'000	3 months ended 31 March, 2022 RM'000
Operating activities		
Profit before tax	31,642	56,225
<u>Adjustments for:</u>		
Amortisation of intangible assets	33,205	38,482
Depreciation of property, plant and equipment	6,470	7,347
Depreciation of right of use	2,997	10,034
Finance cost – Unwinding of discount	24,096	5,159
Finance cost – Borrowings	12,425	12,320
Gain on disposal of property, plant and equipment	(26)	-
Gain on fair value of investments in securities	(5,860)	(1,363)
Realised loss in foreign exchange	8	188
Provision for staff gratuities	136	137
Provision for directors' gratuities	-	-
Provision for maintenance dredging costs	7,083	7,993
Provision for replacement cost	2,082	1,936
MFRS 16 adjustment	(86)	(138)
Income from sublease	(174)	(172)
Dividend income from investment	(51)	(4)
Interest income	(7,433)	(3,591)
Total adjustments	74,872	78,328
Operating cash flows before changes in working capital	106,514	134,553
<u>Changes in working capital</u>		
Receivables	17,341	(1,700)
Payables	(23,549)	(14,624)
Total changes in working capital	(6,208)	(16,324)
Cash generated from operating activities	100,306	118,229
Payment of concession arrangements	(36,376)	(36,259)
Payment of lease liabilities	(2,564)	(9,364)
Payment of dredging cost	-	(5,897)
Income tax paid	(4,969)	(11,808)
Staff gratuities paid	(957)	(618)
Cash flows from operating activities	55,440	54,283

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2023 & 31 MARCH 2022
(Continued)

	3 months ended 31 March, 2023 RM'000	3 months ended 31 March, 2022 RM'000
Investing activities		
Interest received	6,001	3,176
Purchase of property, plant and equipment	(1,241)	(1,087)
Increase in intangible assets	(470)	-
Proceeds from disposal of property, plant and equipment	3	-
Changes in investment in Securities	(412)	-
Net cash flows used in investing activities	3,881	2,089
Net increase in cash and cash equivalents	59,321	56,372
Effects of exchange rate changes	255	140
Cash and cash equivalents at 1 January	665,768	671,644
Cash and cash equivalents at 31 March	725,344	728,156
Cash and cash equivalents comprise:		
Deposits and REPO with licensed financial institutions	722,885	739,945
Cash and Bank Balances	21,224	6,976
	744,109	746,921
Less: Deposit with maturity period of more than 3 months	(18,765)	(18,765)
	725,344	728,156

The unaudited condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2022 and the accompanying explanatory notes attached to the interim financial statements.

**SELECTED EXPLANATORY NOTES ON QUARTERLY FINANCIAL REPORT FOR THE
FIRST QUARTER ENDED 31 MARCH 2023**

PART A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Corporate Information

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

A2. Basis of Preparation

The condensed consolidated interim financial statements for the quarter ended 31 March 2023 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements have been prepared under the historical cost convention and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December, 2022.

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

A3. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2022.

The following pronouncements were issued by the MASB and are to become effective for annual periods beginning on or after 1 January 2023:

- MFRS 17: Insurance Contracts (Amendments to MFRS 17 Insurance Contracts)
- Initial Application of MFRS 17 and MFRS 9 – Comparative Information (Amendments to MFRS 17 Insurance Contracts)
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)

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A3. Significant Accounting Policies (Continued)

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112: Income Taxes)

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

A4. Changes in Estimates

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

A5. Changes in the Composition of the Group

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

A6. Segmental Reporting

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

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

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

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

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A6. Segmental Reporting (Continued)

A subsidiary, Bintulu Port Sdn. Bhd., has secured a contract to provide pilotage services at Muara District, Brunei Darussalam from August 2022 until July 2023. No segmental reporting by geographical information is provided as the Group's operation outside Malaysia is not significant.

3 months ended 31 March 2023	Port Operations RM'000	Bulking Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
Revenue:					
External customers	178,164	10,175	-	-	188,339
Inter-segment	2,054	1,364	44,492	(47,910)	-
Total revenue	<u>180,218</u>	<u>11,539</u>	<u>44,492</u>	<u>(47,910)</u>	<u>188,339</u>
Results:					
Segment profit	<u>32,112</u>	<u>4,120</u>	<u>28,754</u>	<u>(33,344)</u>	<u>31,642</u>
Assets:					
Segment assets	<u>2,901,329</u>	<u>179,522</u>	<u>1,300,704</u>	<u>(1,086,574)</u>	<u>3,294,981</u>
Liabilities:					
Segment liabilities	<u>1,515,674</u>	<u>32,240</u>	<u>31,451</u>	<u>(47,584)</u>	<u>1,531,781</u>

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A6. Segmental Reporting (Continued)

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

A7. Comments about Seasonal or Cyclical Factors

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

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

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

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A9. Tax Expense

i. Tax expense comprises:

	Current year quarter 31 March 2023 RM'000	Current year to date 31 March 2023 RM'000
Current tax expense	15,869	15,869
Deferred tax	(6,706)	(6,706)
	9,163	9,163

ii. Effective tax rate

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

A10. Earnings Per Share

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

	Current year quarter 31 March		Current year-to-date 31 March	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders (RM'000)	22,479	41,064	22,479	41,064
Number of ordinary shares in issue ('000)	460,000	460,000	460,000	460,000
Basic earnings per share (sen)	4.89	8.93	4.89	8.93

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A11. Dividends Paid

There was no dividend paid during the quarter under review.

The fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000 for the financial year ended 31 December 2022 was paid on 13 April 2023.

A12. Debt and Equity Securities

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

A13. Significant Events

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

On 24 November 2022, an Interim Agreement was signed between Government of Malaysia, Bintulu Port Authority and BPSB which allows BPSB to continue the operation, management, maintenance and provision of operational facilities and services of the port undertakings within the Demised Property at Bintulu Port on an interim basis and upon the same terms and conditions of the Privatisation Agreement for a period of six (6) months from 1 January 2023 or until the terms and conditions of the new concession is concluded.

Further to this, on 11 April 2023 BPSB had received a notification from Bintulu Port Authority (“BPA”) on the Cabinet’s approval for BPSB to continue operating Bintulu Port under the Interim Period (“IP”) of twelve (12) months from 1 July 2023 with further extension of six (6) months in the event the New Privatisation Agreement has yet to be finalised and executed.

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

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

A14. Valuation of Property, Plant and Equipment

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

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A15. Contingent Liabilities or Contingent Assets

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

A16. Acquisitions and Disposals of Property, Plant and Equipment

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

A17. Commitments

As at 31 March 2023, the commitments were as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment / Intangible assets	5,843
Approved but not contracted for :	
Property, plant and equipment / Intangible assets	1,472
	7,315

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A19. Significant Related Party Transactions

	Current year quarter 31 March 2023 RM'000	Current year- to-date 31 March 2023 RM'000
a) Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:		
<u>Rendering of services:</u>		
Malaysia LNG Sdn.Bhd	40,091	40,091
Petronas Carigali Sdn. Bhd.	1,645	1,645
Petronas Dagangan Berhad	636	636
Petronas Chemical Marketing (L) Ltd	264	264
Petronas Floating LNG 1 (L) Ltd	40,908	40,908
Vestigo Petroleum Sdn. Bhd.	48	48
<u>Purchases of fuel and lubricants:</u>		
Petronas Dagangan Berhad	(5,312)	(5,312)
b) Transactions with subsidiaries of a substantial shareholder, State Financial Secretary (Sarawak Government):		
<u>Purchases of gas fuel:</u>		
Petroleum Sarawak Berhad	(1,334)	(1,334)

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

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

B1. Review of Performance

	Individual quarter ending 31 March		Changes %	Cumulative quarter ending 31 March		Changes %
	2023 RM'000	2022 RM'000		2023 RM'000	2022 RM'000	
Revenue from operations	187,893	198,105	(5.15)	187,893	198,105	(5.15)
Revenue from construction services	446	-	-	446	-	-
	188,339	198,105	(4.93)	188,339	198,105	(4.93)
Other income	6,276	1,570	299.75	6,276	1,570	299.75
Cost of construction services	(446)	-	-	(446)	-	-
Operating expenses	(88,860)	(71,936)	23.53	(88,860)	(71,936)	23.53
Amortisation	(33,205)	(38,482)	(13.71)	(33,205)	(38,482)	(13.71)
Depreciation	(9,466)	(17,381)	(45.54)	(9,466)	(17,381)	(45.54)
Provision for replacement cost	(2,082)	(1,936)	7.54	(2,082)	(1,936)	7.54
	(134,059)	(129,735)	3.33	(134,059)	(129,735)	3.33
Operating Profit	60,556	69,940	(13.42)	60,556	69,940	(13.42)
Finance cost	(36,521)	(17,479)	108.94	(36,521)	(17,479)	108.94
Finance income	7,607	3,764	102.10	7,607	3,764	102.10
Profit before tax	31,642	56,225	(43.72)	31,642	56,225	(43.72)

Quarter Ended 31 March 2023 compared to Quarter Ended 31 March 2022

The Group registered a profit before taxation amounting to RM31.64 million in the current quarter against RM56.23 million achieved in the preceding year corresponding quarter.

The Group's operating revenue of RM187.89 million for the current quarter is lower by RM10.22 million (5.15%) compared to RM198.11 million achieved in the corresponding quarter. The revenue recorded from port's services at Bintulu Port is RM145.29 million in Q1 2023 as compared to RM146.42 million achieved in Q1 2022. The revenue generated from the operation at Samalaju Industrial Port during the quarter under review is RM32.43 million against RM41.90 million in the corresponding year quarter as the production demand for manganese industries decrease. The revenue from bulking facilities is RM10.17 million as against RM9.79 million in Q1 2022.

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B1. Review of Performance (Continued)

Revenue from construction services for concession infrastructure of RM0.45 million was recognized in Q1 2023 whilst no revenue from construction services for concession infrastructure was recognized in Q1 2022. The corresponding cost of construction for concession was also recognized for the quarters under review. This is recognition of revenue and expenditure under IC Interpretation 12: Service Concession Arrangements.

The expenditure during the quarter under review of RM170.13 million is higher compared to RM147.21 million in Q1 2022 mainly due to payment of staff's performance merit and recognition of finance cost on the interim lease arrangement of land and facilities at BPSB during the quarter.

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

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

	Current Quarter Ended 31 March 2023 RM'000	Preceding Quarter Ended 31 December 2022 RM'000	Changes %
Revenue from operations	187,893	200,860	(6.46)
Revenue from construction services	446	525	(15.05)
	188,339	201,385	(6.48)
Other income	6,276	5,661	10.86
Cost of construction services	(446)	(525)	(15.05)
Operating expenses	(88,860)	(97,214)	(8.59)
Amortisation	(33,205)	(39,465)	(15.86)
Depreciation	(9,466)	(9,686)	(2.27)
Provision for replacement cost	(2,082)	(2,925)	(28.82)
	(134,059)	(149,815)	(10.52)
Operating profit	60,556	57,231	5.81
Finance cost	(36,521)	(15,715)	132.39
Finance income	7,607	6,006	26.66
Profit before taxation	31,642	47,522	(33.42)

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

The pre-tax profit for the first quarter of 2023 amounting to RM31.64 million is lower compared to RM47.52 million achieved in the preceding quarter.

The Group's operating revenue is lower by RM12.97 million from RM200.86 million achieved in Q4 2022 to RM187.89 million in Q1 2023. Revenue contribution from the handling of cargoes and vessel calls at Bintulu Port in Q1 2023 is RM145.29 million as against RM148.70 million in Q4 2022. Revenue at Samalaju Industrial Port is lower by RM6.18 million from RM38.61 million in Q4 2022 to RM32.43 million in Q1 2023 due to port users have sufficient stock from previous quarter and slow market growth particularly China. The revenue from the bulking services is lower by RM3.38 million from RM13.55 million in Q4 2022 to RM10.17 million in Q1 2023.

Revenue from construction services on concession infrastructure recognized in Q1 2023 is RM0.45 million whilst revenue from construction services on concession infrastructure of RM0.53 million was recognized in Q4 2022. The corresponding cost of construction were also recognized during the quarter under review.

The expenditure during the quarter under review is higher by RM5.12 million from RM165.01 million in Q4 2022 to RM170.13 million in Q1 2023 mainly due to the recognition of BPSB's lease concession based on the interim arrangement.

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

B3. Current Year's Prospects

Malaysia's trade growth is expected to be moderate in 2023 in view of the softening of the global economic growth prospects and weakening of the international trade momentum.

Despite this, the Group remains positive and expects the handling of LNG cargo to remain the main revenue contributor to the Group supported by the handling of palm oil and Samalaju cargoes.

B4. Board of Directors Statement on Internal Targets

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

B5. Profit Forecast or Profit Guarantee

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

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B6. Corporate Proposals

There were no corporate proposals announced during the reporting date.

B7. Loans and Borrowings

Maturity	Current year quarter 31 March 2023 RM'000	Current year quarter 31 March 2022 RM'000
Non-current		
<u>Unsecured:</u>		
Sukuk Murabahah	943,731	942,221

Sukuk Murabahah

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

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

Summary of the Sukuk Murabahah is tabulated below:

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

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

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

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

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

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

B9. Material Litigation

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

B10. Dividend Proposed

- a) The Board has recommended a first interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000 in respect of the financial year ended 31 December 2023 (previous corresponding period: first interim single tier dividend of 5.00 sen per share on 460,000,000 ordinary shares amounting to RM23,000,000).
- b) The total interim single tier dividend for the current financial year is 3.00 sen per share (previous corresponding year: 5.00 sen per share).
- c) Shareholders who are on the Register of Members at the close of business on 14th July 2023 will be entitled for the dividend. The dividend payment date is 2nd August 2023.

B11. Audit Report

The audit report of the previous annual financial statements for the year ended 31st December 2022 was not subject to any qualification.

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B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 30th May 2023.

BY ORDER OF THE BOARD

ROSLI BIN IDRIS
(MIA15730)
Company Secretary
Date: 31st May 2023