



WHO GOVERNS US

The Group's ability to deliver on its purpose, mission and strategic objectives is underpinned by the quality and expertise of its leadership. The Board of Directors provides sound, ethical leadership and strategic guidance and ensures that the principles of good corporate governance are the foundation of all that we do.



STANDING (LEFT TO RIGHT)

- | | | | |
|--|---|---|--|
| <p>➤ Zakiah binti Jaafar
Non-Independent
Non-Executive Director</p> | <p>➤ Datuk Nozirah binti Bahari
Independent
Non-Executive Director</p> | <p>➤ Dato' Sri Mohamed Khalid bin Yusuf @ Yusup
Independent
Non-Executive Director</p> | <p>➤ Dzafri Sham bin Ahmad
Non-Independent
Non-Executive Director</p> |
|--|---|---|--|

SITTING (LEFT TO RIGHT)

- | | |
|--|--|
| <p>➤ Dato Sri Fong Joo Chung
Non-Independent
Non-Executive Director</p> | <p>➤ Dato Mohammad Medan Bin Abdullah
Group Chief Executive Officer</p> |
|--|--|

Our efforts in ensuring our organisation subscribes to good governance practices

COMMITTEE MEMBERSHIP KEY:

ARC

Chairman of Audit and Risk Committee (ARC)

ARC

Member of Audit and Risk Committee (ARC)

NRC

Chairman of Nomination and Remuneration Committee (NRC)

NRC

Member of Nomination and Remuneration Committee (NRC)

FIC

Chairman of Finance and Investment Committee (FIC)

FIC

Member of Finance and Investment Committee (FIC)



➤ **General Dato' Seri Diraja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)**
Non-Independent
Non-Executive Director

➤ **Datuk Nasarudin bin Md Idris**
Non-Independent
Non-Executive Director

➤ **Salihin bin Abang**
Independent
Non-Executive Director

➤ **Datuk Yasmin binti Mahmood**
Independent
Non-Executive Director

➤ **Tan Sri Dr. Ismail bin Hj. Bakar**
Chairman

➤ **Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani**
Non-Independent
Non-Executive Director

* The picture was taken separately in observation of the SOP.



WHO GOVERNS US

**Tan Sri Dr.
Ismail bin
Hj. Bakar**
61
Age
**Committee
Membership:**

None


**Non-Independent Non-Executive Chairman
Bintulu Port Holdings Berhad**

Tan Sri Dr. Ismail bin Hj. Bakar was appointed as Non-Independent Non-Executive Chairman and Director of Bintulu Port Holdings Berhad on 1 September 2019.

QUALIFICATIONS

- Bachelor of Economics, B. Econs (Hons) in Applied Economics, University of Malaya, Malaysia, 1983
- Diploma in Public Administration (DPA), National Institute of Public Administration (INTAN), Malaysia, 1985
- Masters in Business Administration (MBA), University of Hull, United Kingdom, 1995
- Ph.D in Fiscal Federalism, University of Hull, United Kingdom, 2004

CAREER EXPERIENCE

- **2018-2020:** Chief Secretary, the Government of Malaysia
- **2014-2018:** Director of National Budget, National Budget Office, Treasury, Ministry of Finance and Secretary-General, Ministry of Transport, Secretary-General, Ministry of Agriculture and Agrofood Industry and Secretary-General, Ministry of Finance
- **2008-2014:** Senior Advisor to the Executive Director-General (Policy), Ministry of Defence and Director in the National Strategic Unit, Ministry of Finance
- **1990-2008:** Senior positions in various divisions, Ministry of Finance
- **1983-1990:** Assistant Secretary, Contract and Supply Division, Ministry of Finance; then Director in the Anti-Narcotics Task Force, Malaysia

OTHER DIRECTORSHIPS
Public companies:

- Bank Islam Malaysia Berhad

**Tan Sri
Datuk
Amar
Mohamad
Morshidi
bin Abdul
Ghani**
65
Age
**Committee
Membership:**

None


Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Bintulu Port Sdn Bhd

Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani was appointed as a Non-Independent Non-Executive Director on 22 December 2014.

QUALIFICATIONS

- Bachelor in Economics (Statistics), Universiti Kebangsaan Malaysia, Malaysia, 1979
- Master of Science in Human Resource Administration, University of Scranton, Pennsylvania, USA, 1998
- Senior Executive Fellows Programme, Harvard University, USA, 2006

CAREER EXPERIENCE

- **2009-2019:** State Secretary, Sarawak
- **2001-2009:** Permanent Secretary, Ministry of Social Development and Urbanisation and Director, State Planning Unit in the Chief Minister's Department; then Deputy State Secretary, Sarawak
- **1998-2001:** Senior positions in the Chief Minister's Department
- **1988-1998:** Director, Kuching North City Hall
- **1980-1988:** Management Executive, PETRONAS

OTHER DIRECTORSHIPS
Public companies:

- Sarawak Energy Berhad

Our efforts in ensuring our organisation subscribes to good governance practices

WHO GOVERNS US

Zakiah binti Jaafar

54
Age

**Committee
Membership:**

FIC



Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Samalaju Industrial Port Sdn Bhd

Puan Zakiah binti Jaafar was appointed as a Non-Independent Non-Executive Director on 1 March 2020.

QUALIFICATIONS

- Bachelor of Science (Hons) in Economics, University of Warwick, United Kingdom, 1990
- Master of Social Science (Economics), University of Birmingham, United Kingdom, 1991
- Postgraduate Diploma in Public Administration, National Institute of Public Administration (INTAN), Malaysia, 1994
- Advanced Management and Leadership Programme, Oxford University, United Kingdom, 2014
- Advanced Management and Leadership Programme for JUSA Officers, National Institute of Public Administration (INTAN), Malaysia, 2015
- Premier Executive Development Programme, Razak School of Government, Canberra, Australia, 2017

CAREER EXPERIENCE

- **June 2020 - Present:** Deputy Secretary General (Policy), Ministry of Finance
- **Nov 2019 - June 2020:** Deputy Secretary General (Investment), Ministry of Finance
- **Jan - Nov 2019:** Deputy Secretary General (Macro), Ministry of Economic Affairs (MEA)
- **2014-2018:** Director (Macroeconomics Section), EPU
- **2012-2014:** Deputy Director III, Social Services Section; then Deputy Director I, Macroeconomics Section, EPU
- **2006-2012:** Principal Assistant Director, Macroeconomics Section and Malaysia Development Institute, EPU
- **2005-2006:** Research Assistant to H.E. Tun Dr. Mahathir bin Mohamad, Islamic Development Bank
- **2003-2005:** Principal Assistant Director, K-Economy Section, EPU
- **1991-2003:** Assistant Director, Macroeconomics Section, EPU

OTHER DIRECTORSHIPS

Public companies:

- Petroliaam Nasional Berhad (PETRONAS)
- Pengurusan Aset Air Berhad (PAAB)

General Dato' Seri Diraja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)

72
Age

**Committee
Membership:**

FIC



Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Samalaju Industrial Port Sdn Bhd

General Dato' Seri Diraja Tan Sri (Dr.) Mohd Zahidi (R) was appointed as a Non-Independent Non-Executive Director on 16 March 2006.

QUALIFICATIONS

- Masters of Science Degree in Defence and Strategic Studies, Quaid-I-Azam University, Islamabad, Pakistan, 2002
- Senior Executive Programme, Harvard University, USA, 2002
- Fellow, Malaysian Institute of Management (MIM)

CAREER EXPERIENCE

- **2006-Present:** Member, Dewan Negara Perak and Trustee, Yayasan Sultan Azlan Shah; then Orang Kaya Bendahara Seri Maharaja Perak
- **1999-2005:** Chief of Defence Forces
- **1968-1998:** Key appointments at field and ministerial level, Malaysian Armed Forces
- **1966-1968:** Officer Cadet, Royal Military College, Sungai Besi; then Second Lieutenant, Royal Malay Regiment, Malaysian Armed Forces

OTHER DIRECTORSHIPS

Listed entities:

- Affin Holdings Berhad
- Genting Malaysia Berhad
- Genting Plantations Berhad
- Only World Group Holdings Berhad



WHO GOVERNS US

**Dato Sri
Fong Joo
Chung**

71
Age

**Committee
Membership:**

NRC


Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Chairman, Bintulu Port Sdn Bhd

Dato Sri Fong Joo Chung was appointed as a Non-Independent Non-Executive Director on 16 September 2004.

QUALIFICATIONS

- Bachelor of Law (Hons), University of Bristol, United Kingdom, 1971
- Barrister-at-Law, Lincoln's Inn, London, United Kingdom, 1981

CAREER EXPERIENCE

- **2007-2020:** State Legal Counsel, Sarawak Government
- **1992-2007:** State Attorney-General, Sarawak
- **1971-1992:** Advocate in private legal practice

OTHER DIRECTORSHIPS
Listed entities:

- Sarawak Cable Berhad

Public companies:

- Sarawak Energy Berhad

**Datuk
Nasarudin
bin Md
Idris**

65
Age

**Committee
Membership:**

FIC


Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Chairman, Samalaju Industrial Port Sdn Bhd

Datuk Nasarudin bin Md Idris was appointed as a Non-Independent Non-Executive Director on 26 August 2010.

QUALIFICATIONS

- Bachelor of Arts (Hons), University of Malaya, Malaysia, 1978
- Postgraduate Diploma in Petroleum Economics, College of Petroleum Studies, United Kingdom, 1987
- Master of Business Administration, Henley – The Management College (Brunel University), United Kingdom, 1991
- Stanford Executive Programme, Stanford University, USA, 2000

CAREER EXPERIENCE

- **2010-2014:** President and Chief Executive Officer, MISC Berhad, a subsidiary of PETRONAS
- **1978-2010:** Various senior positions, PETRONAS Group

OTHER DIRECTORSHIPS
Listed entities:

- MISC Berhad
- Malaysian Marine and Heavy Engineering Holdings Berhad

Our efforts in ensuring our organisation subscribes to good governance practices

WHO GOVERNS US

Dzafri Sham bin Ahmad

56
Age

Committee Membership:

ARC



Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Bintulu Port Sdn Bhd

Encik Dzafri Sham bin Ahmad was appointed as a Non-Independent Non-Executive Director on 1 September 2015.

QUALIFICATIONS

- Bachelor of Science in Mechanical Engineering, University of Miami, Florida, USA, 1987

CAREER EXPERIENCE

- **2016-Present:** Vice President of Group Health, Safety, Security and Environment, PETRONAS
- **2008-2016:** Various senior positions, PETRONAS Group
- **2003-2008:** Construction Manager and Asset Integrity Advisor, Egyptian LNG Project, Integrated Project Management Team, PETRONAS
- **1988-2003:** Gas Utilisation Engineer, PETRONAS Gas Berhad; then Mechanical Engineer, Senior Project Engineer and Engineering Manager, MLNG Dua and MLNG Tiga projects, PETRONAS

OTHER DIRECTORSHIPS

- Nil

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup

68
Age

Committee Membership:

NRC



Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Chairman, Biport Bulkiers Sdn Bhd

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup was appointed as an Independent Non-Executive Director on 1 January 2015.

QUALIFICATIONS

- Bachelor of Arts (Hons), University of Malaya, Malaysia, 1977
- Master of Science (Human Resources), University of Scranton, Pennsylvania, USA, 1993

CAREER EXPERIENCE

- **2016-Present:** Non-Executive Director of TC Megah Sdn Bhd – logistics and forwarding services
- **2016-Present:** Non-Executive Director of Gafung Petroleum Sdn Bhd – supply of fuel bunkering services
- **2013-Present:** Non-Executive Chairman of Misar Shipping Sdn Bhd – ships' husbanding services
- **2013-Present:** Non-Executive Director of Era Tiara Sdn Bhd – logistics, transportation and wholesale trading
- **2013-Present:** Executive Chairman of Setara Vista Sdn Bhd – civil and mechanical contract works
- **2012-Present:** Non-Executive Director of N.B. Heavy Industries Sdn Bhd – manufacturing and assembly of heavy commercial vehicles
- **2012-2016:** Executive Director of Nexgem Sdn Bhd – indirect tax consulting services
- **2012-2016:** Non-Executive Non-Independent Director (2012-2014) and Non-Executive and Non-Independent Chairman (2014-2016) of SMTrack Berhad (formerly known as Smartag Solutions Bhd) – RFID track and trace technology solutions for cargo and revenue security
- **2012-2015:** Senior Advisor of International Tax and Investment Centre (ITIC), Washington D.C., USA – promotion of tax, trade and investment policy reforms
- **1977-2012:** Various senior management positions at the Royal Malaysian Customs Department, and retired as the Director General of Customs

OTHER DIRECTORSHIPS

- Nil



WHO GOVERNS US

**Datuk
Yasmin
binti
Mahmood**

 58
Age

**Committee
Membership:**

ARC


Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Biport Bulkiers Sdn Bhd

Datuk Yasmin binti Mahmood was appointed as an Independent Non-Executive Director on 1 January 2015.

QUALIFICATIONS

- Bachelor of Science (Computer Science and Applied Mathematics), University of New South Wales, Australia, 1983

CAREER EXPERIENCE

- **Present:** Chair, Heriot-Watt University Malaysia
- **2019-March 2021:** Chairman, POS Malaysia Berhad
- **2019-Present:** Managing Director, FutureReady Consulting Sdn Bhd
- **2014-2019:** Chief Executive Officer, Malaysia Digital Economy Corporation (MDEC)
- **2010-2014:** Executive Director, YTL Communications Sdn Bhd
- **2010-2014:** Director, YTL e-Solutions Berhad
- **2006-2009:** Managing Director, Microsoft Malaysia Sdn Bhd
- **2005-2006:** Regional Manager, Malaysia, Thailand and Taiwan, Dell Asia Pacific
- **1999-2005:** General Manager, Dell Asia-Pacific
- **1995-1999:** General Manager, HP Sales Malaysia
- **1993-1995:** General Manager, Dataprep Retail Sdn Bhd
- **1988-1993:** Marketing Manager, HP Sales Malaysia

OTHER DIRECTORSHIPS
Public companies:

- MIDF Berhad

**Datuk
Nozirah
binti Bahari**

 65
Age

**Committee
Membership:**

NRC


Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Biport Bulkiers Sdn Bhd

Datuk Nozirah binti Bahari was appointed as an Independent Non-Executive Director on 1 February 2016.

QUALIFICATIONS

- Bachelor of Social Science (Hons) in Urban Studies, University of Science Malaysia, Malaysia, 1978
- Diploma in Public Administration, National Institute of Public Administration, Malaysia, 1981
- Global Leadership Development Programme (Fall) by International Centre for Leadership in Finance (ICLIF), 2006
- Advanced Management Programme, Harvard Business School, USA, 2007
- Financial Institutions Directors' Education Programme (FIDE), 2010

CAREER EXPERIENCE

- **2011-2015:** Deputy Secretary General (Management), Ministry of Finance Malaysia
- **2011:** Director of Budget Management Division, Ministry of Finance Malaysia
- **2007-2011:** Undersecretary, Loan Management, Financial Market and Actuary Division, Ministry of Finance Malaysia
- **2005-2007:** Deputy Undersecretary, Loan Management, Financial Market and Actuary Division, Ministry of Finance Malaysia
- **2002-2005:** Deputy Undersecretary, Procurement and Supplies Division, Ministry of Finance Malaysia
- **2000-2002:** Principal Assistant Secretary, Procurement and Supplies Division, Ministry of Finance Malaysia
- **1993-2000:** Deputy Finance Officer (Treasury), Sabah, Ministry of Finance Malaysia
- **1991-1993:** Director, Manpower Planning Unit (MAMPU), Prime Minister's Department Branch Office, Sabah
- **1988-1991:** Principal Assistant Secretary, Planning and Policy Division, Ministry of Agriculture Malaysia
- **1985-1988:** Assistant Secretary, Procurement and Supplies Division, Ministry of Health Malaysia
- **1981-1985:** Assistant Secretary, Finance Division, Ministry of Finance Malaysia

OTHER DIRECTORSHIPS

- Nil

Our efforts in ensuring our organisation subscribes to good governance practices

WHO GOVERNS US

Salihin bin Abang

48
Age

Committee Membership:

ARC



Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad Group
- Board Member, Samalaju Industrial Port Sdn Bhd

Appointed as an Independent Non-Executive Director on 1 February 2018.

QUALIFICATIONS

- Master of Science in Accounting, Universiti Islam Antarabangsa Malaysia, 2008
- ASEAN Senior Management Development Programme (SMDP), Harvard Business School, 2011
- Honorary Doctorate Degree in Management, Universiti Malaysia Terengganu (UMT), 2018
- Chartered Accountant, C.A.(M), Malaysian Institute of Accountants (MIA)
- Certified Public Accountant, CPA (M), Malaysian Institute of Certified Public Accountants (MICPA)

CAREER EXPERIENCE

- **2019-Present:** Independent Non-Executive Director, Chairman of Board Audit Committee and member of Board Risk Committee, Boustead Heavy Industries Corporation Berhad
- **2019-Present:** Independent Non-Executive Director, Chairman of Board Risk Committee, member of Board Audit Committee, Remuneration Committee and Nomination Committee, G3 Global Berhad
- **2018-2019:** Member of Board Audit Committee, Land Custody and Development Authority (LCDA) of Sarawak
- **2018-Present:** Adjunct Professor, Tunku Puteri Intan Safinaz School of Accountancy, (UUM) and School of Maritime Business and Management (UMT) and Faculty of Business and Technology (UNITAR)
- **2017-2019:** President, Malaysian Institute of Accountants (MIA)
- **2017-2019:** Member of Board of Trustees, the Financial Reporting Foundation (FRF)
- **2002-Present:** Founder and Group Managing Partner, SALIHIN Chartered Accountants

OTHER MEMBERSHIPS

- ASEAN Chartered Professional Accountant (ACPA)
- Fellow Member of the Association of International Accountants (FAIA, UK)
- Fellow Member of the Chartered Tax Institute of Malaysia (FCTIM)
- Certified Financial Planner (CFP), Financial Planning Association of Malaysia (FPAM)

OTHER DIRECTORSHIPS

Public companies:

- G3 Global Berhad
- Boustead Heavy Industries Corporation Berhad



WHO LEADS US

OUR LEADERSHIP

The role, responsibilities, composition, procedures and evaluation of the Executive Committee are described in detail in the Charter.



**DATO MOHAMMAD MEDAN
BIN ABDULLAH**
Group Chief Executive Officer



YUSOF BIN IBRAHIM
Chief Operating Officer,
Bintulu Port Sdn Bhd



ABU BAKAR BIN HUSAINI
Chief Operating Officer,
Biport Bulkers Sdn Bhd



**AZMEL KHAN BIN
ASGHAR KHAN**
General Manager,
Group Human Resource
Management



**DAYANG FAIZAH BINTI
AWANG BUJANG**
General Manager,
Group Legal Counsel

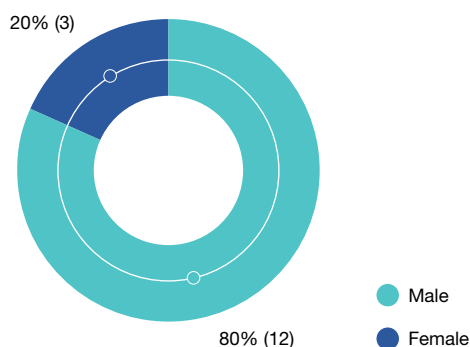


ABDUL MANAN BIN ILING
*Retired on 28 December 2020
General Manager, Group
Information Technology

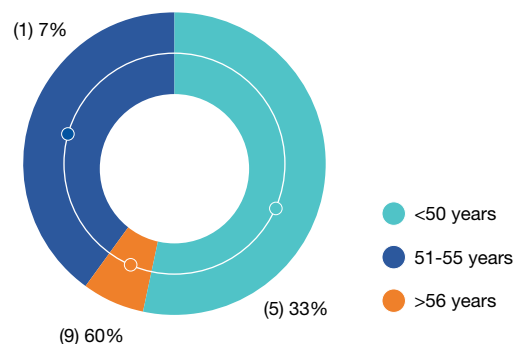


RAMZI BIN SHAFIEE
Acting General Manager,
Group Information Technology

Gender



Age



Our efforts in ensuring organisation subscribes to good governance practices

WHO LEADS US



MATSHALLEH BIN MOHAMAD ETLI
Chief Operating Officer,
Samalaju Industrial Port Sdn Bhd



ROS LI BIN IDRIS
Company
Secretary



DAIANA LUNA SUIP
General Manager,
Group Finance



EIZAM BIN ISMAIL
General Manager,
Group Corporate Planning
& Development



ABDANI BIN ABDUL GAFOR
General Manager, Group
Health, Safety & Environment



MOHAMAD YACOP BIN MOHAMAD JUNIT
Senior Manager,
Group Internal Audit



MASLIHAH BINTI HJ. TIOH
Senior Manager,
Group Corporate Services



ELVIS TULU AYU
Senior Manager,
Group Security

BPHB Bintulu Port Holdings Berhad

BPSB Bintulu Port Sdn Bhd

BBSB Biport Bulkiers Sdn Bhd

SIPSB Samalaju Industrial Port Sdn Bhd

WHO LEADS US

<div><div><div><div><div><div></div><div>DATO MOHAMMAD MEDAN BIN ABDULLAH</div><div>Group Chief Executive Officer</div></div><div><div>63</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BPHB</div></div></div></div><div><p>Dato Mohammad Medan Abdullah was appointed as the Group Chief Executive Officer of Bintulu Port Holdings Berhad Group (BPHB) effective 1 March 2017, bringing with him vast experience of over 35 years in the oil & gas industry.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Law (Hons), University of Malaya, 1982Advanced Management Programme, Wharton Business School, University of Pennsylvania, 2007</div><div><div>Career Experience</div><ul style="list-style-type: none">2013-2016: Managing Director and President (Asia Pacific), Gazprom Marketing & Trading Pte Ltd2010-2013: Senior General Manager, Group Corporate Affairs Division (PETRONAS Group)2007-2010: Chief Executive Officer, Malaysia LNG1990-2007: Various senior positions in PETRONAS and PETRONAS Carigali1988-1990: Legal Adviser, Baram Delta Operations1983-1988: Legal Officer, PETRONAS Carigali Sdn Bhd1982: Trainee Legal Officer, PETRONAS</div><div><div>Directorships in other public-listed/public companies</div><ul style="list-style-type: none">Handal Resources BerhadPetroleum Sarawak Berhad (PETROS)</div></div></div>	<div><div><div><div><div><div></div><div>YUSOF BIN IBRAHIM</div><div>Chief Operating Officer</div></div><div><div>60</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BPSB</div></div></div></div><div><p>Yusof bin Ibrahim assumed the position of Chief Operating Officer of Bintulu Port Sdn Bhd (BPSB) on 1 January 2020 and is responsible for the day-to-day operations of BPSB. He reports directly to the Group Chief Executive Officer.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Literature (Hons) in Mass Communication, Universiti Sains Malaysia, 1986</div><div><div>Career Experience</div><ul style="list-style-type: none">2018-2019: Chief Operating Officer, BBSB2014-2018: General Manager, Cargo Handling Services, BPSB1992-2014: Various positions in Cargo Handling Services and Human Resource Planning & Development Division, BPSB1986-1992: Various positions in Bintulu Port Authority (BPA)</div></div></div>	<div><div><div><div><div><div></div><div>ABU BAKAR BIN HUSAINI</div><div>Chief Operating Officer</div></div><div><div>60</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BBSB</div></div></div></div><div><p>Abu Bakar bin Husaini was appointed as the Chief Operating Officer of Biport Bulkers Sdn Bhd (BBSB) on 1 January 2020 and manages the day-to-day operations of the company. He reports directly to the Group Chief Executive Officer.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Science (Hons) in Finance & Accounting, University of Salford, United Kingdom, 1988Enterprise Risk Manager since 2010Management Development Programme, Asian Institute of Management (AIM), Philippines, 2011Licensed Company Secretary since 2 September 2015</div><div><div>Career Experience</div><ul style="list-style-type: none">2016-2019: Company Secretary, BPHB2014-2015: Assistant Company Secretary2010-2013: Internal audit role1996-2009: Finance and internal audit roles at BPSB1991-1996: PETRONAS Carigali1988-1991: Audit Semi-Senior at Arthur Andersen & Hanafiah Raslan Mohamad</div></div></div>	<div><div><div><div><div><div></div><div>MATSHALLEH BIN MOHAMAD ETLI</div><div>Chief Operating Officer</div></div><div><div>54</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>SIPSB</div></div></div></div><div><p>Matshalleh bin Mohamad Etli assumed the position of Chief Operating Officer of Samalaju Industrial Port Sdn Bhd (SIPSB) on 1 June 2016. He is responsible for the implementation and management of the strategies on project planning, design, construction and infrastructure work by providing leadership and strategic and tactical direction for the successful completion of the port. He reports directly to the Group Chief Executive Officer.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Science in Housing, Building and Planning, Universiti Sains Malaysia, 1990Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012</div><div><div>Career Experience</div><ul style="list-style-type: none">2014-2016: Acting Chief Operating Officer, SIPSB2011-2014: Head, Operations and Stakeholders Relations, Samalaju Industrial Port Sdn Bhd1993-2009: Various positions in BPSB1991-1993: Fire Superintendent, BPA</div></div></div>
	<div><div><div><div><div><div></div><div>ROSLI BIN IDRIS</div><div>Company Secretary</div></div><div><div>52</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BPHB</div></div></div></div><div><p>Rosli bin Idris was appointed as Company Secretary of Bintulu Port Holdings Berhad (BPHB) on 1 January 2020.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Accountancy (Hons), Universiti Teknologi MARA, 1994Management Development Programme, Asian Institute of Management (AIM), Philippines, 2014Chartered Accountant of the Malaysian Institute of Accountants (MIA)</div><div><div>Career Experience</div><ul style="list-style-type: none">2014-2019: Senior Manager, Finance, Human Resource & Administration, SIPSB2011-2013: Head of Finance Services, Samalaju Port Management Unit, BPSB2011: Manager, Management Accounting, BPSB2009-2010: Assistant Manager Finance & Administration, IOT Management Sdn Bhd2005-2008: Management Accountant, BPSB1996-2004: Executive Treasury, BPSB1994-1996: Project Accountant, PPES Oil & Gas Sdn Bhd</div></div></div>	<div><div><div><div><div><div></div><div>DAIANA LUNA SUIP</div><div>General Manager, Group Finance</div></div><div><div>57</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BPHB</div></div></div></div><div><p>Daiana Luna Suip assumed the position of General Manager, Group Finance of BPHB on 1 January 2014. She is responsible for all financial, accounting, investor relations and investment issues relating to the Group and also provides strategic and operational support to Management.</p><div><div>Qualifications</div><ul style="list-style-type: none">Advanced Diploma in Accountancy, Institut Teknologi MARA, 1990Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012Master of Business Administration, University of Sunderland, 2018Chartered Accountant of the Malaysian Institute of Accountants (MIA)</div><div><div>Career Experience</div><ul style="list-style-type: none">2011-2013: Senior Manager, Finance Division, BPSB2008-2011: Manager, Group Accounts, BPSB2006-2008: Manager, Financial Accounting, BPSB1994-2006: Financial Accountant and Group Accountant, BPSB1993-1994: Audit Executive, BPSB1991-1993: Audit Assistant, Arthur Andersen</div></div></div>	<div><div><div><div><div><div></div><div>EIZAM BIN ISMAIL</div><div>General Manager, Group Corporate Planning & Development</div></div><div><div>48</div><div>Age</div></div><div><div>Nationality:</div>Malaysian</div><div>BPHB</div></div></div></div><div><p>Eizam bin Ismail assumed the position of General Manager, Group Corporate Planning & Development on 24 May 2018. He is responsible for the implementation of Group-wide strategies and plans on corporate planning and business development and enterprise risk management and marketing, as well as for branding programmes and customer services functions.</p><div><div>Qualifications</div><ul style="list-style-type: none">Bachelor of Business Administration in Transport, Universiti Institut Teknologi MARA, 1996Management Development Programme, Asian Institute of Management (AIM), Philippines, 2015</div><div><div>Career Experience</div><ul style="list-style-type: none">2012-2018: Manager, Marketing & Customer Service, BPSB; then Senior Manager, Corporate Planning, BPHB2002-2012: Executive, Corporate Marketing (under the Chief Executive Officer's Office), Executive, Marketing & Business Development and Executive, Marketing (Containerised) in the Corporate Development Division, BPSB1999-2002: Associate Consultant on various port and shipping consultancy projects in Southeast Asia</div></div></div>

WHO LEADS US

AZMEL KHAN BIN ASGHAR KHAN

General Manager, Group Human Resource Management

59
Age

Nationality: Malaysian

BPHB

Azmel Khan bin Asghar Khan assumed the position of General Manager, Group Human Resource Management on 23 August 2017. He formulates, plans, implements and manages the development and implementation of Group-wide human capital strategies and ensures the effective and efficient administration of and compliance with these strategies.

Qualifications

- Diploma in Business Studies, Institut Teknologi MARA, 1983
- Bachelor of Communications, Universiti Putra Malaysia, 2003
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- **2017-Present:** General Manager, Group Human Resource Management
- **2015-2017:** Acting General Manager, Group Human Resource Management
- **2014-2015:** Senior Manager, Human Resource Planning and Organisational Development
- **2007-2014:** Manager, Corporate Affairs
- **2006-2007:** Manager, Warehousing; then Manager, Commercial
- **1993-2006:** Executive in Commercial and Billing; then Manager, Warehousing, BPSB
- **1983-1993:** Traffic Officer; Purchasing Officer; then Assistant Administrative Officer, BPA

DAYANG FAIZAH BINTI AWANG BUJANG

General Manager, Group Legal Counsel

52
Age

Nationality: Malaysian

BPHB

Dayang Faizah binti Awang Bujang assumed the position of General Manager, Group Legal Counsel of BPHB on 23 August 2017. She is responsible for the formulation, management and implementation of Group-wide legal strategies, advice and services.

Qualifications

- Bachelor of Laws (Hons), International Islamic University, Malaysia, 1992
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- **2014-Present:** Acting Assistant General Manager, Legal; then Acting General Manager, Legal before becoming General Manager, Group Legal Counsel
- **2010-2014:** Manager, Legal; then Acting Senior Manager, Legal, BPSB
- **1993-2010:** Legal Executive and Executive, Contract Management; then Manager, Contract Management, BPSB
- **1992-1993:** Underwent pupillage with Messrs. Jaini Mardi & Associates, Bintulu, Sarawak and admitted as an Advocate & Solicitor in the High Court of Sabah and Sarawak

ABDANI BIN ABDUL GAFOR

General Manager, Group Health, Safety & Environment

58
Age

Nationality: Malaysian

BPHB

Abdani bin Abdul Gafor assumed the position of General Manager, Group Health, Safety & Environment of BPHB on 23 August 2017. He is responsible for the effective HSE management of the Group and maintains workplace safety and health systems.

Qualifications

- Bachelor of Engineering, University of Tasmania, 1989
- Master of Business Administration, Heriot-Watt University, 1999
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2011

Career Experience

- **2008-2017:** Manager, Safety & Emergency; then Senior Manager, Health, Safety & Environment, BPSB
- **1993-2008:** Electrical Engineer, Technical Services Division; then Manager, Safety & Emergency and Manager, Mechanical & Electrical, Technical Services Division, BPSB
- **1991-1992:** Electrical Engineer, BPA

ABDUL MANAN BIN ILING

**Retired on 28 December 2020*

General Manager, Group Information Technology

61
Age

Nationality: Malaysian

BPHB

Abdul Manan bin Iling assumed the position of General Manager, Group Information Technology of BPHB on 1 June 2015. He is responsible for the implementation of Group-wide IT strategies, as well as for providing advice and services relating to IT systems and support.

Qualifications:

- Bachelor of Science (Hons) in Computer Science, Universiti Sains Malaysia, 1987

Career Experience

- **2014-2015:** Assistant General Manager, Group Information Technology
- **2007-2014:** Acting Senior Manager, Information Technology; then Senior Manager, Information Technology, BPSB
- **1993-2007:** Assistant Manager, Systems Development; then Manager, Systems Development and Manager, Application Systems, BPSB
- **1988-1993:** Port Officer, BPA

RAMZI BIN SHAFIEE

Acting General Manager, Group Information Technology

55
Age

Nationality: Malaysian

BPHB

Ramzi bin Shafiee assumed the position of Acting General Manager, Group Information Technology of BPHB on 1 January 2021. He is responsible for the implementation of Group-wide IT strategies, as well as for providing advice and services relating to IT systems and support.

Qualifications:

- Bachelor of Applied Science (Hons) (Mathematical Calculation & Computer Aided Geometry Design - CAGD), Universiti Sains Malaysia, 1992

Career Experience

- **2019-2020:** Senior Manager, Operation Application System
- **2019:** Acting Senior Manager, Operation Application System
- **2017 – 2018:** Acting Senior Manager, Network & Infrastructure
- **2015 – 2017:** Manager, Network & Infrastructure
- **2013 – 2015:** Head, Information Technology
- **2009 – 2013:** Manager, Network & Infrastructure
- **1993 – 2009:** System Analyst

MOHAMAD YACOP BIN MOHAMAD JUNIT

Senior Manager, Group Internal Audit

56
Age

Nationality: Malaysian

BPHB

Mohamad Yacop bin Mohamad Junit assumed the position of Senior Manager, Group Internal Audit of BPHB on 1 March 2018.

Qualifications

- Diploma in Accountancy, Institut Teknologi MARA, 1987
- Bachelor of Communications, Universiti Putra Malaysia, 1999
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2015

Career Experience

- **2013-2018:** Manager, Commercial, BPSB
- **1993-2013:** Various positions in Human Resources, Finance, Commercial and Audit, BPSB
- **1990-1992:** Assistant Port Officer and Assistant Administration Officer, BPA

MASLIHAH BINTI HJ. TIOH

Senior Manager, Group Corporate Services

55
Age

Nationality: Malaysian

BPHB

Masliha binti Hj. Tioh assumed the position of Senior Manager, Group Corporate Services of BPHB on 1 January 2015. She is responsible for the overall corporate services of the Group, including internal and external communications, especially public and government relations. In this capacity, she is responsible for creating and communicating a favourable public image of the Group through media campaigns designed to reach consumers, employees, customers, government agencies and other stakeholders. She is also responsible for overseeing Group procurement and office management services.

Qualifications

- Bachelor of Arts (Hons) in Mass Communication, Universiti Kebangsaan Malaysia, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- **2007-2014:** Manager, Performance and Rewards; then Senior Manager, Performance and Rewards, BPHB
- **1993-2006:** Executive, Public Affairs; then Manager, Personnel and Payroll in the Human Resource Management Division, Manager, Commercial in the Finance Division and Manager, Remuneration & Benefits, BPSB
- **1991-1992:** Executive, Public Relations, BPA

ELVIS TULU AYU

Senior Manager, Group Security

56
Age

Nationality: Malaysian

BPHB

Elvis Tulu Ayu assumed the position of Senior Manager, Group Security, on 1 March 2015. At the time, he was a Superintendent in the Malaysian Auxiliary Police Association. He is responsible for the control and development of Group security strategies, programmes and plans to ensure a secure working environment through proactive security measures designed to protect people, assets and operations against the threat of injury and loss or damage by criminal, hostile or malicious acts.

Qualifications

- Diploma in Accountancy, Institut Teknologi MARA, 1987
- Bachelor of Arts in Business Administration, Bolton Institute, United Kingdom, 2004
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- **2015-Present:** Senior Manager, Group Security, BPHB (covering BPSB, BBSB and SIPSB) with the rank of Superintendent, Royal Malaysian Police
- **2014-2015:** Manager, Warehousing, BPSB
- **2011-2012:** Acting Senior Manager, HSE, BPSB
- **2002-2013:** Manager, Security, BPSB
- **2010-2012:** Rank of Superintendent of Police
- **2002-2009:** Rank of Deputy Superintendent of Police
- **1998-2001:** Executive, Fire, Emergency Services and Security (Rank of Assistant Superintendent of Police)
- **1993-1997:** Executive, Security, BPSB (Rank of Inspector)
- **1992:** Regular Police Inspector Training at PULAPOL, KL (9 months)
- **1988-1991:** Assistant Security Officer, BPA



CORPORATE GOVERNANCE OVERVIEW STATEMENT

High standards of corporate governance are integral to the delivery of our strategy

On behalf of the Board, I am pleased to present the Group's Corporate Governance Overview Statement.

The 2017 Malaysian Code on Corporate Governance (MCCG 2017) remains the standard against which we measure ourselves. We are also guided by Bursa's Main Market Listing Requirements and Corporate Governance Guidelines. Additionally, the Securities Industries Central Despositories Act (SICDA), the Companies Act 2016, Our Board Charter and Company Constitution contributed content to this overview. This overview is to be read in conjunction with our Corporate Governance Report 2020 which is available on our corporate website.

In this Statement, we explain our governance related processes and procedures, to ensure we comply with applicable laws and regulations. We are committed to upholding the highest standards of corporate governance and have always endeavoured to meet the requirements of new legislation ahead of their formal application. Additionally, we recognise the need to balance our financial performance with our obligations to all our stakeholders, so we can create value over the long term.

**Tan Sri Dr.
Ismail bin
Hj. Bakar**



Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Your Board is collectively responsible for the long-term success of your Company. The Group Chief Executive Officer (GCEO) manages the business on a day-to-day basis whilst the Non-Executive Directors provide an appropriate level of scrutiny, constructive challenge and support to all proposals including those relating to strategy, performance, responsibility and accountability. This enables Board decisions to be well considered and justified. Appropriate Board processes are in place to ensure adequate oversight of the implementation of those decisions.

This section details:

- The structure and composition of the Board and its Committees;
- How responsibilities are divided among the Board, its Committees and individual Directors;
- The main activities of the Board in FY2020; and
- The recruitment and induction process for new Directors.

Your Board continuously reviews its composition to ensure it retains a balance of skills, experience, independence and knowledge which enables it to discharge its duties and responsibilities effectively. The Board undertakes an annual evaluation of its own effectiveness and that of its Committees as well as that of individual Directors.

This section details:

- The process and outcomes of the internal evaluation for FY2020; and
- The progress made on the actions arising from the internal evaluation for FY2020.

Your Board is mindful of the risk environment in which it operates when making any decisions. It maintains sound risk management and internal control systems and regularly reviews the principal risks impacting the business. The Board assesses the appropriate appetite for risk in striving to achieve the Company's strategic objectives.

This section details:

- The work undertaken by the Audit and Risk Committee;
- The Board's approach to risk management, its internal control and risk management systems; and
- Its processes for evaluating whether the Integrated Annual Report and Accounts of the Company are fair, balanced and understandable.

Your Board recognises the importance of maintaining open dialogue with its various stakeholders. A number of events and communications take place throughout the year to maintain regular contact with stakeholders and receive feedback on all areas of the business including (but not limited to) governance, operational processes and strategy.

This section details:

- How the Board and individual Directors engaged with stakeholders throughout FY2020; and
- How stakeholders can communicate with the Company.



This Statement is to be read in conjunction with our Corporate Governance Report, which can be scanned from the QR code provided or alternatively, can be found on our corporate website at <http://www.bintuluport.com.my>.

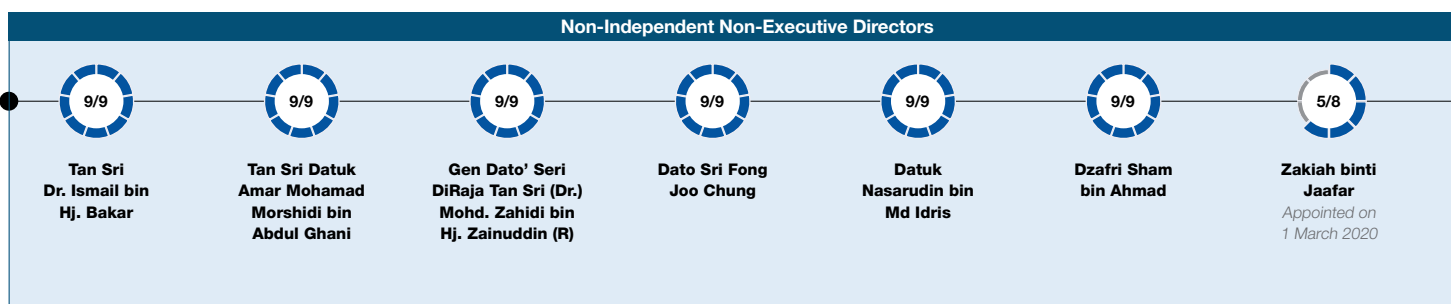


CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR GOVERNANCE PRACTICES

OUR BOARD

During the year under review, nine (9) meetings were held and the details of the attendance of members are as follows:



Audit and Risk Committee (ARC)

For the Audit and Risk Committee, five (5) meetings were held and the details of attendance of members are as follows:

Chairman of ARC

Salihin bin Abang

Independent Non-Executive Director

(100%)

(5/5)

Members of ARC

Datuk Yasmin binti Mahmood

Independent

Non-Executive Director

(100%)

(5/5)

Dzafri Sham bin Ahmad

Non-Independent

Non-Executive Director

(100%)

(5/5)

Nomination and Remuneration Committee (NRC)

For the Nomination and Remuneration Committee, five (5) meetings were held and the details of attendance of members are as follows:

Chairman of NRC

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup

Independent

Non-Executive Director

(100%)

(5/5)

Members of NRC

Datuk Nozilah binti Bahari

Independent

Non-Executive Director

(100%)

(5/5)

Dato Sri Fong Joo Chung

Non-Independent

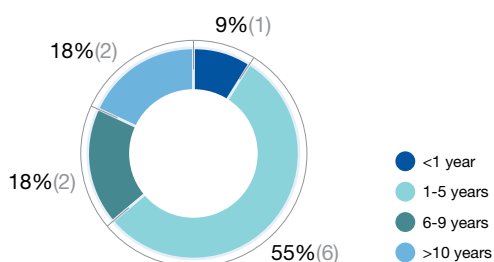
Non-Executive Directors

(100%)

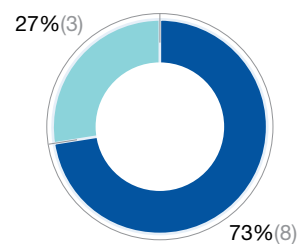
(5/5)

65
Board Hours

Tenure



Diversity

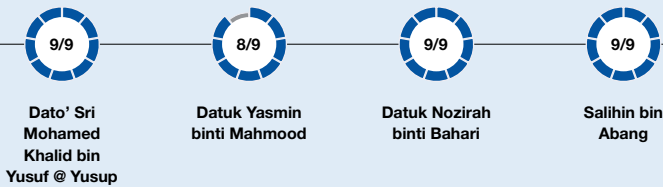


Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

AT A GLANCE

Independent Non-Executive Directors



Finance and Investment Committee (FIC)

For the Finance and Investment Committee, one (1) meeting was held and the details of attendance of members are as follows:

Chairman of FIC

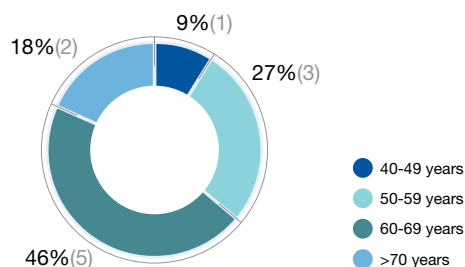
Datuk Nasarudin bin Md Idris (100%)
Non-Independent
Non-Executive Director (1/1)

Members of FIC

Gen Dato' Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin (R) (100%)
Non-Independent
Non-Executive Director (1/1)

Zakiah binti Jaafar (100%)
Non-Independent
Non-Executive Director (Appointed on 1 March 2020) (1/1)

Age



Male
Female

Bintulu Port Sdn Bhd

Non-Independent Non-Executive Directors

Dato Sri Fong Joo Chung Chairman of BPSB	(6/6) 100%
Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani	(6/6) 100%
Dzafri Sham bin Ahmad	(6/6) 100%

Biport Bulkiers Sdn Bhd

Independent Non-Executive Directors

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup Chairman of BBSB	(3/3) 100%
Datuk Yasmin binti Mahmood	(3/3) 100%
Datuk Nozirah binti Bahari	(3/3) 100%

Samalaju Industrial Port Sdn Bhd

Non-Independent Non-Executive Directors

Datuk Nasarudin bin Md Idris Chairman of SIPSB	(8/8) 100%
Gen Dato' Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin (R)	(7/8) 87%
Zakiah binti Jaafar Appointed on 1 March 2020	(5/6) 83%

Independent Non-Executive Director

Salihin bin Abang	(8/8) 100%
--------------------------	---------------



CORPORATE GOVERNANCE OVERVIEW STATEMENT

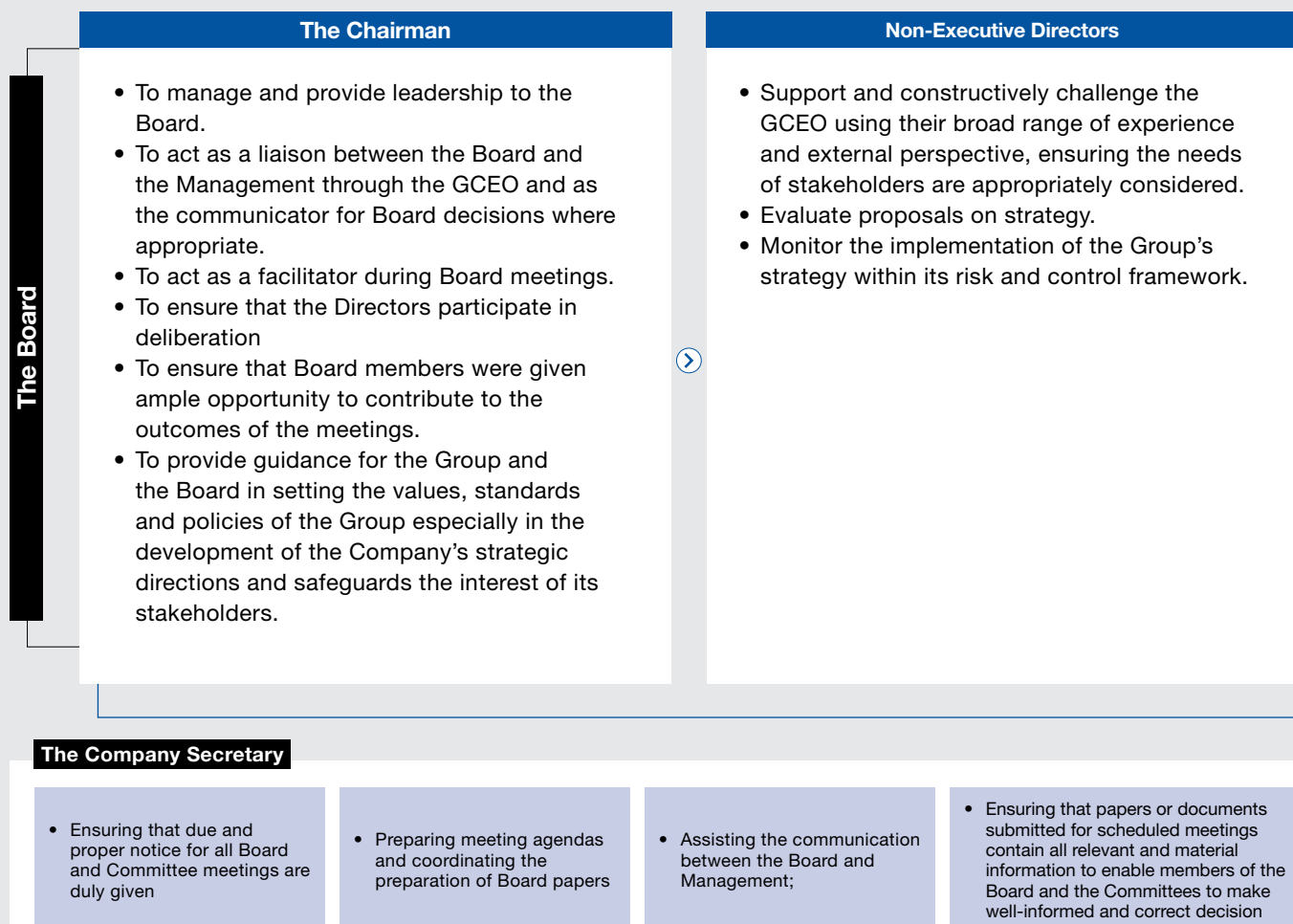
A sound corporate governance structure commits the Company to high standards of business ethics.

A sound corporate governance structure commits the Company to high standards of business ethics. The structure guides the Board, as the guardian of responsible corporate governance, in the formulation and implementation of the Company's strategy to achieve targeted performance and create sustainable value for the benefit of all stakeholders. The structure comprises appropriate policies, procedures and power of execution to ensure that governance strategies are properly implemented, managed, reviewed and adjusted. This ensures responsible corporate citizenship through regulatory and best-practice adherence, effective and ethical leadership and sustainable value creation.

Our Board is of the opinion that the Company's corporate governance practices materially reflects the Malaysian Code on Corporate Governance (MCCG) 2017, the Main Market Listing Requirements (MMLR) and the Companies Act 2016. Our Board regularly reviews and assesses the Company's governance structures and processes to ensure that they are consistent with best practice. The Board's Charter and the Board Committees' Terms of References are available on the Company's website: www.bintuluport.com.my.

Decisions, Matters Reserved for the Board and Delegated Authorities

Our Board makes decisions on strategy and in relation to items set out in the matters reserved for the Board. It also delegates various operational decisions to several Board and Management Committees.



Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Composition	Board Independence
<p>Our Board believes the composition of Non-Independent Non-Executive and Independent Non-Executive Directors remains appropriate having considered to the size and nature of the business. In addition, the combination of experience, diverse backgrounds, length of service and calibre of the Non-Executive Directors further enhances this composition and the ability to deliver the Group's strategy while mitigating against the risk of 'group think'.</p>	<p>Our Board recognises the importance of its Non-Executive Directors remaining independent throughout their appointment, as it enables them to provide objective advice and guidance to the Group Chief Executive Officer (GCEO) and Senior Management. This independence allows the Non-Executive Directors to constructively challenge and scrutinise the performance of the GCEO and provide an independent perspective on business strategy, performance and the integrity of the financial information considered by the Board and disclosed to the Company's shareholders and other stakeholders. Their independence is of the utmost importance when considering the appointment or removal of the GCEO and in the determination of succession planning for Board positions and other Senior Management roles within the Group.</p>

Audit and Risk Committee (ARC)

- A key role in the Group's governance structure.
- Positioned to rigorously challenge and ask probing questions on the company's financial reports, internal controls, risk management and governance.
- To ensure that the financial statements of the Group comply with the current applicable Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the requirements of Companies Act 2016.
- Monitors the integrity of the Group's Financial Statements and its systems for internal control and risk management.
- Reviews risk management policies, guidelines and strategies of the Group.
- Reviews all business risks and ensures the implementation of appropriate systems and frameworks to manage these risks by risks owners.
- Oversee the overall risk exposure of the Group.

Nomination and Remuneration Committee (NRC)

- Establishing, reviewing and recommending to the Board remuneration packages for Directors, GCEO and key senior management.
- Recommending to the Board the payment of annual bonus, increment, performance merit and ex-gratia to GCEO, key senior management and all staff of the Group excluding staff who falls under the jurisdiction of Collective Agreement.
- Initiating the process of making appointments into the Board.
- Conducting induction programme and familiarization visits for new Directors.
- Assessing the Directors' annual performance through the Board Effectiveness Assessment (BEA).
- Reviewing required skills and core competencies of Non-Executive Directors annually.

Finance and Investment Committee (FIC)

- Reviewing and adopting strategic financial plan for the Company;
- Overseeing the conduct of the Company's business, and financial affairs of the Company;
- Reviewing the Company's annual budget and the variances of actual results against the approved budget and forecasted budget;
- Reviewing the capital expenditure for projects, business acquisitions and investment appraisal exceeding RM5 million to be undertaken by the Company;
- Review and recommend to the Board all Group financial policies; and
- Review the financial performance of the Group recommend to the Board measures to be undertaken to enhance its profitability.
- Recommending investment policies for consideration and adoption by the Board, including the ethical aspects of the various type of investments;
- Oversight the management of investments in accordance with Company's investment policies;
- Periodic reporting to the Board on the progress of the Company's investments; and
- Review and updates the Company's Investment Policies for consideration and adoption by the Board.

Group Chief Executive Officer

- To implement the policies, strategies and decisions of the Board in addition to his responsibilities for the day to day operation of the Group's business
- To enforce compliance with MCCG, motivating the Company's workforce towards greater productivity and high performance.
- To recognise the importance of human resources.
- To improve employee welfare, health and safety at the work place.
- To maintain awareness of the competitive market landscape.
- To ensure that the Group maintains high social responsibility and good work culture in the discharge of everyday duties.



For further details on Director's profiles, please refer to pages 60 to 65 of this report.

- Facilitating due compliance by the Group of all regulations, directions and notices issued from time to time by all relevant regulatory authorities;

- Maintaining accurate records of all the proceedings and resolutions passed including preparing comprehensive minutes of meetings

- Providing full access and services to the Board and carrying out any other duties deemed appropriate by the Board from time to time.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

MAIN ACTIVITIES UNDERTAKEN BY THE BOARD DURING THE YEAR UNDER REVIEW

Our Board provides clear, entrepreneurial and responsible leadership to the Group in order to promote the long-term success of the Group, while ensuring the Group has an appropriate risk and control framework, adequate resources and appropriate values and standards to deliver its strategy.

1

Governance, Risk, and Compliance, in particular, the Group's transformation programme named UTAP Transformation Journey ("UTAP"). The Group Internal Audit ("GIA") is responsible for helming the implementation of UTAP throughout the Company with assistance from our External Auditor.

UTAP is a Group-wide project to ensure that the Company achieve its potential sustainably by implementing holistic transformative approach towards the Company's processes.

2

Deliberating and approving the Liability Management Exercise pertaining to revision in Finance Equity Ratio (FER) relating to Sukuk Murabahah Programme of up to RM950,000,000.00 in nominal value.

3

Deliberating on and approval of the Group's Annual Budget.

4

Deliberating and approving Quarterly and Annual Financial Performance of the Group including deliberation and approval for dividend proposal.

5

Deliberating and approving on the revision of Group's Financial Policy relating to investment of surplus fund.

6

Strategic thinking in navigating dynamic strategic risk landscape of the business of the Group based on the approved business plan.

This includes the Board's deliberation, guidance and endorsement on the Group's Business Plan, Business Response Plan and risk mitigation strategies.

7

Establishing policies, values and integrity for the Group as a whole, in particular, the proposal for the implementation of ISO 37001 throughout the Company.

8

Managing of the Group's talent and manpower in relation to the appointment of senior management posts, key performance indicators and deliverables of the office.

9

Deliberating on the performance assessment of the Board of Directors as an effort and avenue to improve efficiency of the Board of Directors as a whole.

10

Acknowledging the appointment and resignation of members of the Board of Directors.

The Company Secretary attends all Board and Committee meetings and all Directors have access to the Company Secretary's advice and, if necessary, to independent professional advice at the Company's expense to assist with the discharge of their responsibilities as Directors.

All Directors are provided with a yearly schedule of proposed meeting dates. Any Director who is unable to attend a meeting is invited to provide their views to the Chairman ahead of that meeting, having reviewed the agenda, Board papers and management information. Reasons for non-attendance are recorded by the Company Secretary. Formal minutes of each Board meeting are prepared, circulated and submitted for confirmation at the next meeting.

INDUCTION

Upon joining the Company, each new Director participates in a full and formal induction process. The aim of the induction is to assist the Directors to familiarise themselves with the Group's business and its culture, in addition to the roles and responsibilities of the Board and each member of Senior Management. Each new Director is provided with an induction pack containing general and specific information relating to their role such as a schedule of meetings, copies of Board minutes, terms of reference of the Committees and other Committee-specific information, various policies and procedures and details of their duties and obligations as a Director of a listed company. In addition, new Board members are obliged to complete the Mandatory Accreditation Programme as required by Bursa Malaysia.

TRAINING

As part of the Board Effectiveness Assessment, the Chairman asks the Board as a whole and individual Directors for any training requirements they deem necessary or appropriate. He also agrees to the annual developmental needs of each individual director, which include training to keep them abreast with the latest regulatory and policy developments. For FY2020, appropriate training relevant to the Group's business and background of the Directors was conducted. Two (2) Directors are currently undergoing a certification programme to be a Qualified Risk Director with the Institute of Enterprise Risk Practitioners (IERP).

BOARD AND COMMITTEE EVALUATIONS

The Chairman of the Board leads the Board Effectiveness Assessment (BEA) process internally, supported by the Company Secretary. The BEA provides unbiased insights on the leadership style and performance of the Board from various perspectives such as Boardroom dynamics, business sustainability as well as the ethics and compliance culture of the Group as a whole.

The BEA seeks to find better ways in enhancing Board effectiveness through various measures such as engaging with the management on issues of strategic importance while having open and candid Boardroom interactions facilitated by the leadership of the chairperson.

BEA questionnaires are issued to the Board and Committee members. The questionnaire looks at a variety of areas including, among other matters, the contribution and performance of the Directors with regards to their competencies, time commitments, integrity and experience in meeting the needs of the Group and suggestions put forward to enhance Board effectiveness. The results are discussed between the Board and Committee members, respectively, at their virtual board meeting.

For FY2020, the results of the evaluation were positive overall and showed that the Board was running effectively. The Board continued to be seen as being cohesive and comprising of the appropriate balance of experience, skills and knowledge to implement the Group's strategy over the next few years. Board meetings operate in a spirit of openness, fostered by the Chairman, in which Directors are able to challenge and openly discuss ideas of importance to the Group and its strategy.

BOARD MEETINGS AND SUPPORT

The Chairman, with the assistance of the Company Secretary, ensures that the Board receives accurate, timely and clear information. Each Director is issued with an agenda, Board papers and comprehensive operating and financial management reports for the period under review, generally five working days before any Board meeting.

Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Areas of Improvement for the Board

	Chairman	Non-Executive Directors
FY2020 Outcomes	<p>The Chairman discharged his duties efficiently and has succeeded in producing a positive ambience during meetings by allowing the members of the Board to participate deliberately, and giving them equal opportunities to contribute to the decision-making process. The Chairman promotes culture in the boardroom through encouraging Board members' participation in meetings by drawing on their skills, experience and knowledge.</p> <p>As part of his duties, a good working relationship with the GCEO was maintained by the Chairman and both sides understood their duties towards one another and the roles they played with regards to the Company. The BEA results further suggests that regular townhall sessions between the Chairman and the Board could be beneficial to the dynamics of the boardroom.</p>	<p>The dynamism of the Board was proven through its balance and composition, which had an effective blend of expertise and skills to assist the Company in achieving its strategic goals. The Board did remarkably well with regards to ethical leadership as well as its ability to fairly assess the Group's position and prospects.</p> <p>The Board was collectively satisfied with the integrity of the Group's financial and narrative statements. The Board acknowledged the importance of human capital and the essential role it played in the advancement of the Company. The assessment proposed the need for continuous life-long learning and knowledge management among the Board.</p> <p>For FY2020, the Board took reasonable steps to ensure the financial results were reported fairly and in accordance with generally accepted accounting principles. The Board recognised the impact of environmental and social issues on the Group's business or linking strategy to an international framework.</p>
Actions for FY2021	<p>The Chairman should ensure that the Board listens to the views of shareholders, employees, customers and other key stakeholders in the implementation of the Group's business strategy.</p>	<p>The Board thinks that there should be onboarding session for new directors and that training opportunities for Board must not only confined to Finance, Sustainability, Audit and Corporate Governance, but also include the maritime / port industry seminars and trainings. An effective Board succession plan should be maintained at all times.</p> <p>Further, the Board responds that there could be better scheme of service for the staff in order to motivate and keep their morale high. The Board should also set corporate culture by which executives shall behave. Most importantly, contingency plan on the Board level to address potential crisis situations is lacking and should be made available in future.</p> <p>Also based on the review, the Board should increase its efforts in promoting dialogue with shareholders and stakeholders while ensuring that the feedback obtained from such sessions is considered in the Board's decision-making. Workforce views and priorities should also be considered in developing approaches to invest in the human capital of the Group.</p>

Areas of Improvement for the Committees

Based on the BEA results, the Board is satisfied with the performance of all three (3) committees, namely, the Audit and Risk Committee (ARC), Nomination and Remuneration Committee (NRC), and the Finance and Investment Committee (FIC).

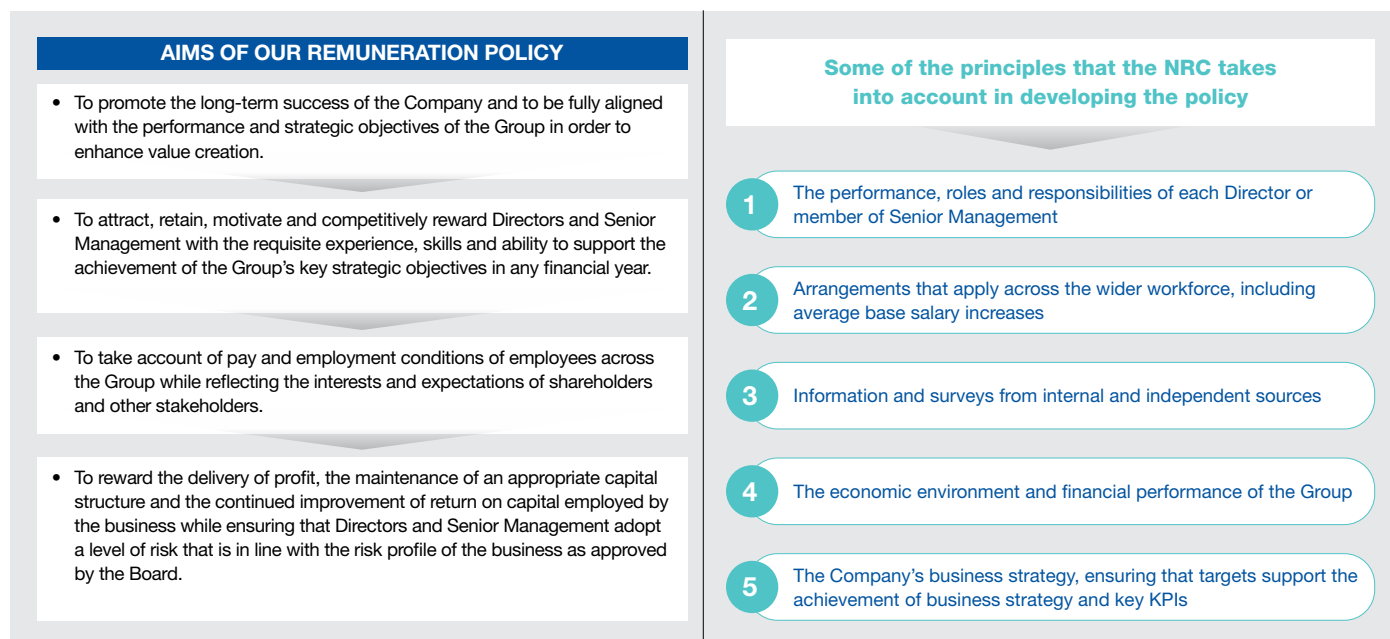
	Audit and Risk Committee	Nomination and Remuneration Committee	Finance and Investment Committee
FY2020 Outcomes	<p>In general, the ARC is able to discharge its duties in relation to its ability to monitor the integrity of the financial statements and related announcements of the Group as a whole, as well as its recommendations to the main Board on the adequacy and effectiveness of the Group's internal controls and risk management.</p>	<p>The NRC has discharged its responsibilities in exercising independent judgement and discretion when recommending to the Board remuneration packages, taking into account the Company's and individual's performance. The NRC also carried out its role in the process of appointments, ensuring plans were in place for orderly succession for both Board and Senior Management positions.</p>	<p>The Board is satisfied with the FIC's assistance in providing the Board with oversight, approval and recommendations concerning the Company's capital structure and capital allocation strategy, as well as other financial arrangements and transactions that could materially impact the financial position of the Company. The FIC assisted the Management in the development of budgets that incorporate strategic plan objectives and initiatives.</p>
Actions for FY2021	<p>The Board suggests a separate Risk Management Committee to ensure adequate and more in-depth monitoring of the Company's material risks. The performance of each committee should also be assessed annually against the set goals of the committees and in the first place, those annual set goals must be defined accordingly. It is suggested that the committees should review its mandate and performance regularly and enhance its reporting to the main Board to assist in decision-making at that particular level.</p>		



CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR APPROACH TO REMUNERATION

The responsibility of setting appropriate levels of remuneration for the Directors, the GCEO and Senior Management resides within the purview of the NRC. The NRC believes that our most important asset is our people. The remuneration strategy therefore seeks to ensure that we appropriately reward our Directors and employees for performance against the Group's key objectives and goals while delivering sustainable value creation.



Details of the remuneration breakdown of individual directors (including fees, salary, bonus, benefits in-kind and other emoluments) during the financial year 2020 are as follow:-

	FEES (RM'000)		ALLOWANCES (RM'000)			BENEFITS- IN-KIND (RM'000)
NAME OF DIRECTORS	BPHB	SUBSIDIARY	BPHB	COMMITTEES	SUBSIDIARY	
Non-Independent Non-Executive Directors						
Tan Sri Dr. Ismail bin Hj. Bakar	144.0	Not Applicable	21.0	Not Applicable	Not Applicable	54.0
Zakiah binti Jaafar (Appointed on 1 March 2020)	85.0	42.0	6.0	1.5	4.5	-
Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani	102.0	50.4	14.0	Not Applicable	7.5	-
Gen Dato’ Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin	102.0	50.4	14.0	1.5	7.5	-
Dato Sri Fong Joo Chung	102.0	72.0	14.0	7.5	10.0	-
Datuk Nasarudin bin Md Idris	102.0	72.0	14.0	2.0	12.0	-
Dzafrî Sham bin Ahmad	102.0	50.4	14.0	7.5	7.5	-
Independent Non-Executive Directors						
Dato’ Sri Mohamed Khalid bin Yusuf @ Yusuf	102.0	72.0	14.0	10.0	4.0	-
Datuk Yasmin binti Mahmood	102.0	50.4	12.0	7.5	3.0	-
Datuk Nozirah binti Bahari	102.0	50.4	14.0	7.5	3.0	-
Salihin bin Abang	102.0	50.4	14.0	10.0	9.0	-
Totals (RM'000)	1,147.0	560.4	151.0	55.0	68.0	54.0
		1,707.4			274.0	54.0

Details of the remuneration of the top 6 senior management (including salary, allowances and bonus) in each successive band of RM50,000 during the financial year 2020, are as follows:

Remuneration Band (RM)	Top Six Senior Management
350,001 – 400,000	Matshalleh bin Mohamad Etli (COO, Samalaju Industrial Port Sdn. Bhd.) Azmel Khan bin Asghar Khan (GM, Group Human Resources Management) Dayang Faizah binti Awang Bujang (GM, Group Legal Counsel)
400,001 – 500,000	Yusof bin Ibrahim (COO, Bintulu Port Sdn. Bhd.) Daiana Luna Suip (GM, Group Finance)
800,001 & above	Dato Mohammad Medan bin Abdullah (GCEO, Bintulu Port Holdings Berhad Group)

Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

AUDIT, RISK AND INTERNAL CONTROLS

Our Board recognises that successful delivery of the Group's strategic and day-to-day objectives is underpinned by a comprehensive and consistent assessment of relevant risks. Effective, agile and universally applied risk management principles enable the Group to accurately examine its risk profile against its accepted attitude and appetite, limit its exposure to unacceptable risks and ensure long-term viability. Once key risks to delivering value to the Group and its stakeholders are identified, a decision is made to treat, tolerate, terminate or transfer potential exposure. For more information, refer to pages 85 to 93 for Statement on Risk Management and Internal Control. The Board is committed to meeting the relevant requirements of the MCCG 2017 and has applied the principles of the Code in establishing procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Group is willing to take in order to achieve its long-term strategic objectives.

Roles and responsibilities

Our Board is responsible for the implementation and oversight of Bintulu Port's risk management framework and for examining and verifying the internal control environment. It sets the Group's appetite for and attitude towards risk in pursuit of its agreed strategic objectives and drives an effective risk management culture. Our Board directs the level of risk that can be taken by the Group, subsidiaries and respective divisions. Group policies, procedures and delegated authority levels set by the Board provide the structure in which risks are reviewed and escalated to the appropriate level within the Group, up to and including the Board, for consideration and approval.

The roles and responsibilities of the Board, the ARC and Senior Management are set out below.

Responsibilities	Actions Undertaken
Board <ul style="list-style-type: none"> - Responsible for the Group's systems of risk management and internal control. - Determines Group appetite for and attitude to risk in pursuit of its strategic objectives. 	<ul style="list-style-type: none"> • Issues and reviews the Group's risk management policy. • Performs quarterly reviews of the effectiveness of the Group's risk management and internal control systems. • Reviews the Group's risk landscape, principal risks and risk responses.
ARC <ul style="list-style-type: none"> - Confirms the Group Internal Audit Plan - Reviews significant accounting policies and judgements - To evaluate the effectiveness of the Group's internal control and risk management - To review the risk strategy of the Group and define the risk management objectives - To oversee the establishment of the Group's ERM Framework based on an internationally recognised risk management framework - To recommend for the Board's approval the Group's ERM Framework and strategies - To oversee the annual review of the Group's ERM Framework - To evaluate the effectiveness of the risk management structure, process and support system - To oversee the Management's action in identification, management and reporting of risk under the Group's Risk Profile - To provide recommendations on risk matters to the Board for approval 	<ul style="list-style-type: none"> • Receives regular reports on internal and external audit and other assurance activities. • Annually assesses the Group's risk management and internal control systems. • Performs quarterly assessment on the effectiveness of the principal risks and its mitigations strategies.
Senior Management <ul style="list-style-type: none"> - Demonstrates strategic leadership. - Responsible for reviewing and implementing the Group's risk management policy. - Ensures appropriate actions are taken to manage strategic risks and other key risks. 	<ul style="list-style-type: none"> • Reviews the strategic plan and annual budget process. • Produces and tracks the Group Risk Register. • Reviews risk management and assurance activities and processes. • Carries out monthly/quarterly finance and performance reviews.

INTERNAL CONTROL

Our Board has ultimate responsibility for the Group's risk management and internal control systems and regularly reviews their effectiveness. The Group's systems and controls are designed to ensure exposure to significant risk is both understood and appropriately managed. The Board recognises that any system of internal control is designed to identify and control rather than eliminate risk and can only provide reasonable and not absolute assurance against material misstatement or loss. Central to the Group's systems of internal control are its processes and framework for risk management. The Group has a thorough understanding of its risk exposures and has mapped out its assurance network accordingly.

There is also an independent internal audit function that executes a risk-based programme of audit throughout the entire Group. All audit reports are shared with relevant Head of Divisions in addition to being reviewed by the Audit and Risk Committee. It is the expectation and requirement of the Board that Head of Divisions ensure this comprehensive internal control environment (including internal audit) is embedded within their business units.

Principal risks

The principal risks that could adversely impact the Group's profitability and ability to achieve its strategic objectives are set out on pages 29 to 31, The Risks We Consider.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

ANTI-BRIBERY AND CORRUPTION POLICY

Anti-Bribery and Corruption Policy (ABC) ensures honest, ethical, transparent and accountable conduct in all of its businesses, adopts a zero tolerance approach to all forms of corruption, objects to all forms of money laundering practices, is applicable to all persons within the BPHB Group, provides employees with information and guidance on how to recognise, deal with and combat corruption and ultimately, protects the Group against repercussions should acts of corruption occur. The ABC Policy of BPHB was approved unanimously on 28 November 2019.

THE WORK OF OUR BOARD COMMITTEES

There are three main Board Committees (Audit and Risk, Nomination and Remuneration, and Finance and Investment). Reports on meetings of the main Board Committees are provided at each full Board meeting by the relevant Committee chair. Each Committee reviews its own terms of reference annually and these are then reviewed by the full Board together with the matters reserved to the Board. Additional attendees are invited to attend Board Committee meetings at the discretion of the relevant chair.

A forward-looking agenda is established for the Board and each of the main Board Committees to ensure that items are scheduled at the appropriate time during the year. Sufficient time is given for the consideration of the agenda during the meetings. Regular deep dive presentations form part of the annual meeting cycle, focusing on particular business areas or major projects of strategic importance to the Group. The full terms of reference for all Board Committees and their roles and responsibilities are available on our website at www.bintuluport.com.my. Committee membership and attendance can be found on pages 72 and 73 of this Report. The focus areas of each Committee during the year under review are listed below.

Audit and Risk Committee (ARC)

COMMITTEE ACTIVITIES DURING THE YEAR



- | | |
|--|---|
| <ul style="list-style-type: none"> i. Deliberated on the Group's quarterly financial performance for Quarter 4 2019; ii. Deliberated on the Group's quarterly financial performance for Quarter 1 to Quarter 3 2020; iii. Deliberated on the Group's proposal for dividends; iv. Deliberated on the Group's Financial Performance and Audited Financial Statements for the year ended 31 December 2019; v. Reviewed the 2019 Audit Progress Report by the External Auditor; vi. Reviewed the Audit Planning Memorandum by the External Auditor for the 2020; vii. Reviewed and endorsed the Group's new Enterprise Risk Management (ERM) Framework and Risk Profiles; viii. Reviewed and endorsed the ERM Manual which incorporated the eight (8) guiding principles under ISO 31000:2018 Risk Management; | <ul style="list-style-type: none"> ix. Reviewed and endorsed the establishment of the Group's Enterprise Risk Management (ERM) Department and its reporting structure; x. Reviewed and deliberated on the Risk Assessment for the Group's projects development initiatives and proposal; xi. Deliberated and gave guidance on the identified corporate risk profile and its mitigation strategies; xii. Deliberated and gave guidance on the risks associated with the COVID-19 pandemic that may impact the Group's business objectives; xiii. Deliberations on implementation of Section 17A of the MACC Act in the Company; xiv. Deliberations on UTAP-related activities for the Governance, Risk and Compliance (GRC) transformation journey; and xv. Had two (2) audit special sessions with the External Auditor. |
|--|---|

Internal Audit

- Reviewed fourth and approved Annual Audit Plan to ensure adequate scope and comprehensive coverage of the Group's activities;
- Ensured adequacy of resources and competencies of staff in executing the Audit Plan to produce quality and reliable audit report;
- Reviewed contents of internal audit reports issued by Internal Audit on the effectiveness and adequacy of governance, risk management, operational and compliance processes;
- Reviewed the proposed corrective actions to be implemented by the process owners; and
- Met the Internal Auditors without the presence of Management to obtain feedback from them and to discuss measures that may enhance the Internal Audit function of the Company.

External Audit

- Reviewed the External Auditors terms of engagement, nature and scope of work for financial year 2020 and make recommendations for Board's approval;
- Reviewed the findings from External Auditor Report especially the audited financial statement and ensured appropriate action taken by the management on issues raised by the External Auditor;
- Reviewed and make recommendations to the Board for approval on the audit fees for the External Auditor; and
- Met the External Auditor without the presence of Management to obtain feedback from them and to discuss measures that may enhance the audit function of the Company.

Our efforts in ensuring our organisation subscribes to good governance practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Nomination and Remuneration Committee (NRC)

COMMITTEE ACTIVITIES DURING THE YEAR

- | | |
|---|---|
| <ul style="list-style-type: none"> i. Made proposals on the appointment, resignation and re-election of Directors/the Chairman pursuant to the 24th Annual General Meeting of Bintulu Port Holdings Berhad; ii. Carried out the Annual Performance Assessment for the Board of Directors of Bintulu Port Holdings Berhad; iii. Made proposals for promotion, confirmation and renewal of contracts in Senior Management positions in the Company; iv. Made proposals for payment of performance bonuses and annual salary increments for Management and staff; | <ul style="list-style-type: none"> v. Made proposals on the key performance indicators of the Group Chief Executive Officer; vi. Developed criteria for the talent pool and human resource development programme in relation to the Group's succession planning; vii. Deliberated on the Human Resources' policies review; and viii. Monitored on the progress of policies' review. |
|---|---|

Finance and Investment Committee (FIC)

COMMITTEE ACTIVITIES DURING THE YEAR

- | | |
|--|---|
| <ul style="list-style-type: none"> i. Procurement of operational equipment for Bintulu Port Sdn. Bhd.; ii. Deliberated and made recommendations on the 2021 Group's Budget and Business Plan 2021; | <ul style="list-style-type: none"> iii. Deliberated and made recommendations on the revision of Group's Financial Policy relating to investment of surplus fund; and iv. Deliberation of proposed investment for LNG ISO Tank Operations at Bintulu Port. |
|--|---|

Directors who are standing for re-election at the Twenty-Fifth (25th) Annual General Meeting of the Company

- a) The Directors retiring by rotation pursuant to Clause 24.5 of the Company's Constitution and Para 7.26 of the Main Market Listing Requirements and who have offered themselves for re-election are:

- **Dato' Sri Mohamed Khalid bin Yusuf @ Yusup**
(Independent Non-Executive Director)
- **Datuk Yasmin binti Mahmood**
(Independent Non-Executive Director)
- **Dzafri Sham bin Ahmad**
(Non-Independent Non-Executive Director)

The profiles of the above-named Directors who are standing for re-election as stated in the Notice of the 25th AGM are set out in the Who Governs Us on pages 60 to 65 of this Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Ensuring Effective Engagement with Our Stakeholders

The Board acknowledges the importance of effective communication channels between the Board, stakeholders, institutional investors and the investing public at large to provide a clear and complete picture of the Group's performance and position.

Up-to-date information on the Group is accessible via the Group's website at <http://www.bintuluport.com.my>.

For further details on our Stakeholder Engagements, please refer to pages 32 to 35, to see how we engage with our universe of stakeholders.

The primary contacts of the Group are as follows:

Group Chief Executive Officer

Bintulu Port Holdings Berhad

Tel : +60 86 291001 (ext. 300)

Fax: +60 86 253597

Company Secretary

Bintulu Port Holdings Berhad

Tel : +60 86 291001 (ext. 257)

+60 86 251090 (Direct Line)

Fax: +60 86 254062

SHAREHOLDERS

INVESTOR RELATIONS

The Company complies with the Corporate Disclosure Guide issued by Bursa Malaysia as well as the disclosure requirements of Bursa Malaysia's Main Market Listing Requirements. The Company also acknowledges the importance of timely and equal dissemination of material information to shareholders, investors and the public at large. The company holds briefing sessions each financial year for fund managers, investment analysts and the media in conjunction with the announcement of quarterly and yearly financial results to Bursa Malaysia.



Kindly refer to the list of interface and engagement sessions conducted by BPHB during FY2020 on page 84.

ANNUAL GENERAL MEETING

- The Group Chief Executive Officer updates shareholders on the Group's performance and activities during the year. Shareholders are also given the opportunity to meet Board members and air any issues or queries they may have about the business. The Chairman and each Board Committee Chair are also available throughout the AGM to answer shareholder questions.
- The Notice of AGM is circulated to all shareholders at least 21 days prior to the meeting and all resolutions are voted on by way of polling as required under the MCG 2017.
- The Group shares how it responds to queries from all shareholders, including the Minority Shareholders Watch Group (MSWG).

RETAIL SHAREHOLDERS

- The Company Secretarial team, together with the Company's Registrars, regularly engages with our retail shareholders regarding their shareholdings and general enquiries.
- The Company Secretary informs the Chairman and the Group Chief Executive Officer of any areas of concern or importance raised by the retail shareholders to ensure that they are kept aware of the views of our retail shareholder base.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is therefore, fully committed to maintaining high standards in the dissemination of relevant and material information on the development of the Group in view of its commitment to effective, comprehensive, timely and continuous disclosures.

GOVERNMENT & REGULATORS

The Group remains steadfast in its efforts to work with regulators to ensure that the Group complies with all relevant rules and regulations set by the Government and other regulatory agencies.

For FY2020, the Group complied with the rules set under Bursa Malaysia's Main Market Listing Requirements in terms of timely announcements as well as material disclosures relevant to the Group's business.

Further, the Group also complied with Companies Commission of Malaysia requirements in ensuring financial statements and narratives of the Group were prepared according to applicable accounting standards and frameworks.

CUSTOMERS

CUSTOMER CHARTER AND GROUP VISION

The Group strives to provide quality port services with continuous improvement based on customer feedback and the Customer Charter.

The Group is committed to ensuring the following standards prescribed by the Customer Charter are always met:

FAST TURNAROUND TIME

- 1 We will provide on-time marine services, ensure availability of berth, and constantly improve our operational efficiencies.

QUALITY PERFORMANCE DELIVERY

- 2 We will be responsive towards our customers' feedback, deliver transparent work procedures, and provide practical and innovative solutions through dynamic process improvements and technology.

SAFETY AND SECURITY

- 3 We will handle our customers' cargoes, containers and vessels safely and securely while in our custody and within the port water limits.

In meeting their needs and expectations, the Group undertakes regular engagement and interface sessions with customers. To assess customers' level of satisfaction in relation to our commitment stipulated under the Customer Charter, a Customer Satisfaction Survey is conducted annually.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

LIST OF INTERFACE AND ENGAGEMENT SESSIONS

No.	Date	Summary of Interface/Engagement Sessions	Venue
1.	10 February 2020	Kenanga Investment Bank	BPHB
2.	19 February 2020	Kumpulan Wang Persaraan (KWAP)	Virtual Meeting
3.	21 February 2020	RAM Rating Services Berhad	Virtual Meeting
4.	16 March 2020	Public Investment Bank Berhad	Virtual Meeting
5.	16 March 2020	Permodalan Nasional Berhad	Virtual Meeting
6.	27 November 2020	Kumpulan Wang Simpanan Pekerja (KWSP), Permodalan Nasional Berhad, Eastspring Investment Berhad, KAF Equities Sdn Bhd	Virtual Meeting
7.	27 November 2020	Kumpulan Wang Persaraan (KWAP)	Virtual Meeting

ADDITIONAL COMPLIANCE INFORMATION

i. Recurrent Related Party Transactions (RRPT) of a Revenue Nature

As required by the MMLR, RRPT of a revenue nature must be disclosed in the Annual Report. For the year 2020, there were no new related parties involved with the Group other than the existing ones, which comprised the Sarawak State Financial Secretary (SFS) and Petroliaim Nasional Berhad (PETRONAS). The transactions involved were in the ordinary course of business and were in terms not more favourable to the related party than those generally available to the public. The services rendered or goods purchased were based on a non-negotiable fixed price which was published or publicly quoted and all material terms including the prices or charges were applied consistently to all customers or classes of customers.

ii. Non-Audit Fees

The requirement to disclose the Non-Audit Fees is provided for under Chapter 9, Item (18) of Appendix 9C of the MMLR. Hence, the Non-Audit Fees paid to the External Auditors by the Group for reviewing the Directors' Statement on Risk Management and Internal Control for the year ended 31 December 2020 were in the sum of RM9,000.00 only.

iii. Material Contract

The Board confirms that there was no material contract entered into by the Group involving the Directors' and major shareholders' subsisting interest at the end of 2020.

iv. Imposition of Sanctions/Penalties

There were no sanctions/penalties on the Group, Board of Directors and Management for the financial year ended 31 December 2020.

v. Details of Attendance at Meetings Held in the Financial Year Ended 31 December 2020

For attendance, please refer to pages 72 and 73 of this Statement.

vi. Statement by the Board on Compliance

Throughout the financial year ended 31 December 2020, the Group complied with and observed the substantive provisions of the MCCG, the relevant Chapters of the Main Market Listing Requirements and the Companies Commission of Malaysia's requirements.

Statement made in accordance with the Board's Resolution dated 25 February 2021.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Effective Risk Management

Our Approach to Risk Management

BPHB has remained clear on the benefits of risk management and committed to delivering these benefits throughout 2020. Overall responsibility for managing risk rests with the Board but the required policies, procedures and culture are evidenced at each BPHB location as part of an agile, intuitive and holistic framework. A dedicated risk management function ensures the Group adheres to both regulatory requirements and adopts industry good practice in its approach to identifying, assessing, responding to and monitoring risk.

The capture and assessment of risk and opportunity is at the heart of decision making at BPHB. With the initiation of a Governance, Risk and Compliance (GRC) transformation journey (UTAP Transformation Journey), the three levels of defences take credence and ensures that the Board and other governing bodies are given reasonable assurances that work under the GRC is effective. Under the UTAP Transformation Journey, the Enterprise Risk Management (ERM) function is incorporated into the core areas of review and enhancement.

Phase II of the UTAP Transformation Journey has resulted in the following outcomes:

ELEMENT	OUTCOME
ERM Framework	Encapsulate Risk Governance, Risk Culture & Risk Appetite with 8 Guiding Principles and Risk Management Process based on ISO 31000:2018 Risk Management.
ERM Manual	Improvement on three (3) key areas: ERM Principles, ERM Structure and ERM Process.
ERM Governance and Reporting Structure	More streamlined and holistic.
ERM Roles and Responsibilities	More defined roles and responsibilities.
ERM Process	Updated to reflect the key processes under ISO 31000:2018 Risk Management.
ERM Reporting	More defined and detailed process flow for Risk Identification and Reporting.
ERM Risk Parameters – Likelihood and Impact	Likelihood and Impact Score is expanded from four (4) to five (5) respectively.
ERM Risk Ratings	Reviewed from 4x4 Matrix to 5x5 Matrix. However, Risk Mitigation Strategy remains unchanged.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ROLES AND RESPONSIBILITIES

The Board, while acknowledging its responsibility, recognises that the risk management and internal control system is designed to manage, rather than eliminate, risks that may impede the achievement of the Group's business goals and objectives.

Therefore, the system can only provide reasonable, but not absolute, assurance against the occurrence of any material misstatement, fraud or losses.

To ensure the adequacy, effectiveness and integrity of the Group's risk management and internal control, the Board maintains full control over governance, strategic, financial, organisational, operational, regulatory and compliance risks and has put in place formal lines of responsibility and delegation of authority.

The review of the risk management and internal control environment and processes is delegated by the Board to the Audit and Risk Committee (ARC).

For Enterprise Risk Management, the ARC provides oversight on risk management matters relating to the activities of the Group, and reviews, appraises and assesses the efficacy of controls and progress of action plans taken to mitigate, monitor and manage the overall risk exposure of the Group.

For Internal Control, the ARC reviews the adequacy and effectiveness of internal controls in relation to the audits conducted by Group Internal Audit (GIA) during the year.

Audit issues and actions taken by Management to address the findings tabled by GIA are deliberated on during the ARC meetings.

In summary, Internal Control and risk-related matters that warrant the attention of the Board are recommended by the ARC to the Board for its further deliberation and approval, while matters or decisions made within the ARC's purview are escalated to the Board for its acknowledgment.



Our efforts in ensuring our organisation subscribes to good governance practices

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ERM Process

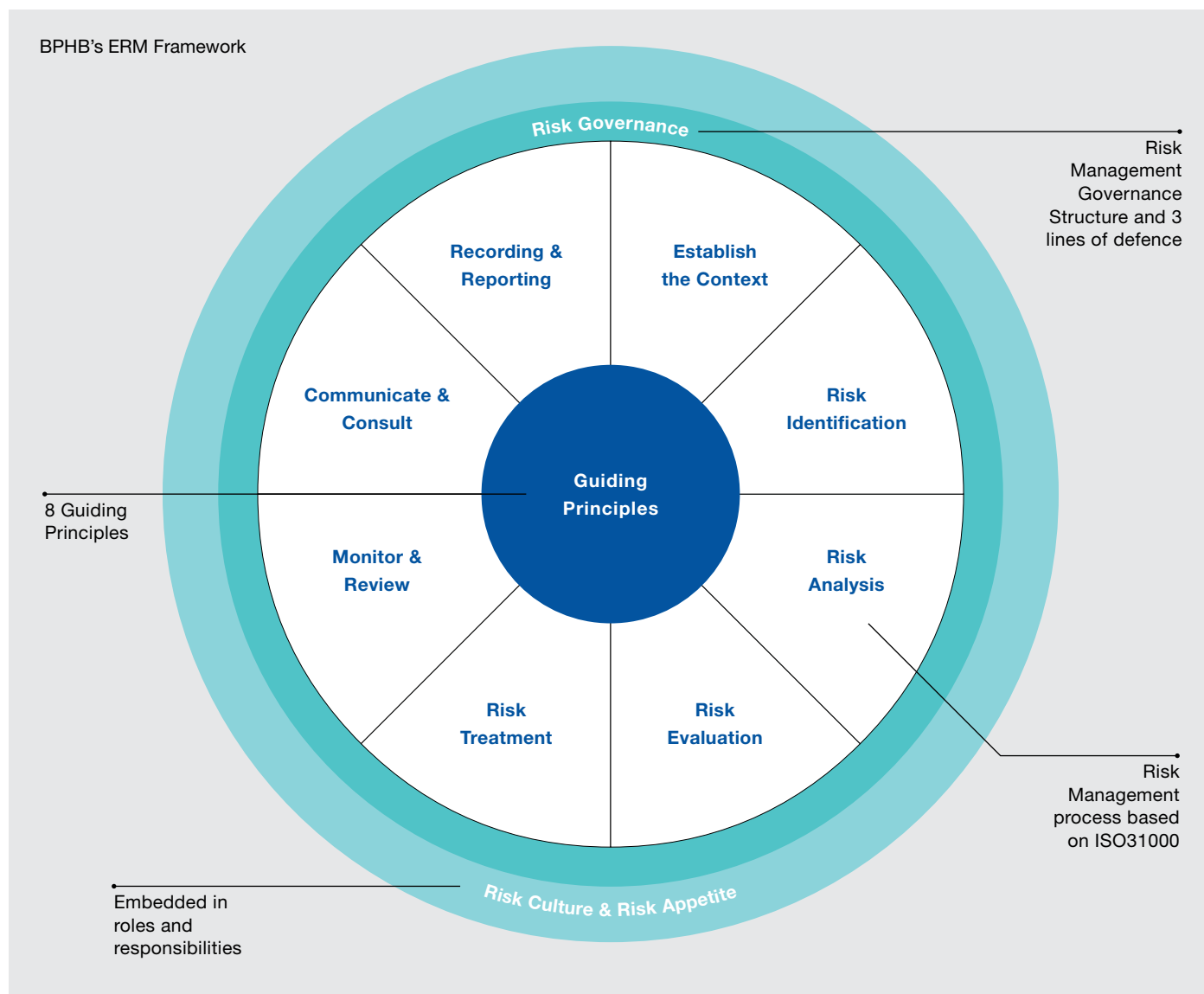
The ERM Process involves the systematic and iterative application of policies and processes which is illustrated as follows:





STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ERM Framework



ERM Manual updated to incorporate eight (8) guiding principles under ISO 31000:2018 Risk Management:

- Structured and comprehensive:** A structured and comprehensive approach to risk management shall be utilised.
- Customised:** All risk management activities shall be tailored to fit the organisational context and aligned to the corporate objectives and organisational priorities of BPHB Group.
- Human and cultural factors:** Risk management strategies and practices shall be developed, communicated to, practiced by all employees and led by a strong tone from the top.
- Integrated:** Risk management activities shall be embedded in the daily operations from strategy formulation through to business planning and processes including organisational strategic planning, business planning and investment/project appraisal procedures.
- Inclusive:** Risk management shall include the necessary stakeholders and take into account their knowledge, views and perceptions to ensure risks are managed to fulfill the expectations of the stakeholders and the organisation.
- Dynamic:** Risk management shall be able to detect and respond to both internal and external changes appropriately when they occur.
- Best Available Information:** Risk management shall account for any limitations and uncertainties regarding the provided historical and current information and future expectations and manage risks based on accepted standards and good practices.
- Continuous Improvement:** Risk management practices shall be continually improved.

Our efforts in ensuring our organisation subscribes to good governance practices

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Our Enterprise Risk Management and Internal Control Structure

ENTERPRISE RISK MANAGEMENT (ERM)	INTERNAL CONTROL
ERM Environment Creates and establishes clear functional responsibilities and accountabilities that cover Governance, Framework and Process	Authority Responsibility Encompasses Board TOR, all structures of the organisation and the internal control and compliance environment, as well as responsibility levels
Materiality Assessment Assessment made according to the recommendations of Bursa Malaysia's Sustainability Reporting Guide	Planning, Monitoring and Reporting Covers budgeting and forecasting exercises, continuous performance review and appropriate application of finance functions
Risk Management Committee Internal Risk Management Committee established to monitor Principal Risks of the Group as a whole	Policies & Procedures Contain information on how the Group operates through SOPs, Code of Conduct and its Customer Charter
Risk Management Function The establishment of an ERM Department for the coordination of risk management for the Group	Audit Covers internal and external audit functions of the Group as well as audit by certification bodies
Risk Management Awareness Programme Group-wide inculcation of a robust risk governance and compliance culture, supported by training programmes	Compliance Contains information on the role played by Group Legal Counsel
Group Principal Risk Profile Provides oversight for the Audit and Risk Committee during meetings	Performance Measurement Contains information on how the performance of employees is measured
ERM Manual sets out the policies for identifying, assessing, monitoring, managing and reporting risk for BPHB Group, aligned with the guidelines of ISO 31000:2018 Risk Management.	Employees' Competencies Contains information on how employees' competencies are continuously enhanced
Insurance Involves information relating to the protection of the Group's assets	



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ENTERPRISE RISK MANAGEMENT (ERM)

The Group's Enterprise Risk Management (ERM) segments comprise the following key elements:

SEGMENT	KEY ELEMENT
ERM Environment	<p>One of the key features of the risk management environment is the implementation of established and clear functional responsibilities and accountabilities for the management of risk.</p> <p>The ERM Environment consists of a framework, process and governance and is illustrated on pages 85 to 88 of this Statement.</p>
ERM Manual	<p>The purpose of this Manual is to:</p> <ul style="list-style-type: none"> • Provide guidance on BPHB Group's risk management principles and reporting structure for the effective management of risks that the respective divisions and subsidiaries assume in their activities. • Define risk management roles and responsibilities within BPHB Group. • Define an ongoing and consistent process for identifying, assessing, monitoring, managing and reporting the significant risks faced by BPHB Group. • Define a reporting framework to ensure communication of necessary risk management information to senior management and personnel engaged in risk management activities.
Materiality Assessment	<p>Pursuant to the recommendations of Bursa Malaysia's Sustainability Reporting Guide, an organisation should reconsider its material sustainability risks and opportunities (i.e. sustainability matters) at least once a year. This is to ensure that the sustainability matters being managed and reported remain significantly important to its business and are aligned to stakeholders' needs.</p> <p>The Group undertook a materiality assessment in 2018, comprising a series of focus group sessions and interviews with various key internal stakeholders.</p>
Risk Management Committee	<p>A Risk Management Committee has been established, comprising the following members:</p> <ul style="list-style-type: none"> • Group Chief Executive Officer (GCEO) • Chief Operation Officers (COOs) • General Manager, Group Legal Counsel • General Manager, Group Finance • General Manager, Group Health & Safety Environment • General Manager, Group Corporate Planning & Development • General Manager, Group Information Technology • Senior Manager, Group Corporate Services • Senior Manager, Group Security <p>In 2020, the Management has been updating the Board on a quarterly basis (February, May, August & November).</p>
Risk Management Function	<p>The risks are viewed from a Group-wide perspective and managed on a Group-wide basis and are driven by a designated ERM Department under Group Corporate Planning & Development (GCPD).</p> <p>The ERM Department is responsible for the overall coordination of risk management for the Group and works closely with Risk Focal Persons who undertake the monitoring and assessing of risk controls in their respective divisions and departments.</p> <p>The ERM Department reports directly to the GCEO.</p>
Risk Management Awareness Programme	<p>The main objective of the programme is to inculcate a robust risk governance and compliance culture among all staff, ranging from operational to Senior Management. The programme is conducted on an annual basis.</p>
Group Principal Risk Profile	<p>The Group Principal Risk Register & Profile is a permanent agenda item of ARC meetings, which deliberate on the following principal risks:</p> <ul style="list-style-type: none"> • Strategic Risk • Financial Risk • Compliance Risk • Operational Risk
Insurance	<p>Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss.</p>

Our efforts in ensuring our organisation subscribes to good governance practices

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

The Group's internal control segments comprise the following key elements:

SEGMENT	KEY ELEMENT
Authority & Responsibility	<p>TERMS OF REFERENCE</p> <p>The Board has delegated certain responsibilities to Board Committees, as follows, through clearly defined and approved Terms of Reference (TOR) which shall be reviewed as and when necessary:</p> <ul style="list-style-type: none"> • Audit and Risk Committee • Nomination and Remuneration Committee • Finance and Investment Committee <p>The above TOR are accessible on the Group's website.</p> <p>In addition, there are a number of committees established by the Management with specific TOR, such as the Major Tender Committee, Minor Tender Committee and Quotation Committee.</p>
	<p>ORGANISATIONAL STRUCTURE</p> <p>The Group has an organisational structure with formal lines of authority and accountability that sets out clear segregation of powers to guarantee effective control at various levels of the Group.</p> <p>The Management is responsible for the implementation of the Group's strategies and day-to-day business based on the established structure and limits of authority.</p> <p>The organisational structure is reviewed from time to time to address changes in the business environment, as well as to keep abreast of current and future trends in new technologies, products and services.</p>
	<p>RESPONSIBILITY LEVELS</p> <p>The Group has established levels of authority, which have been approved by the Board and which are subject to review from time to time to reflect the limits of authority of the Management in all aspects of the Group's major businesses, operations and functions.</p>
	<p>COMPLIANCE ENVIRONMENT</p> <p>Each division and business unit within the Group has established an adequate compliance environment by instituting specific and dedicated functions to oversee compliance matters with respect to business and operations.</p>
	<p>INTERNAL CONTROL POLICY</p> <p>The policy was established and was approved by the Board of Directors and it is subject to review from time to time, in order to reflect changes in the internal control environment that may affect the Group's business and operations.</p>
	<p>BUDGET</p> <p>The Group performs comprehensive budgeting and forecasting exercises.</p> <p>An annual planning and budgetary exercise is undertaken requiring all divisions to prepare business plans and budgets for the forthcoming year.</p> <p>These are deliberated on and approved by the Board prior to implementation by the Management.</p>
Planning, Monitoring & Reporting	<p>PERFORMANCE REVIEW</p> <p>The Group's business plans for the year are reviewed and deliberated on by the Board on an annual basis.</p> <p>The actual performance against budget and financial performance variances are analysed and reported on a quarterly basis to the Board and timely corrective actions are then taken.</p>
	<p>FINANCE FUNCTION</p> <p>The Group Finance Division is required to provide assurance to the ARC that appropriate accounting policies have been adopted and applied consistently, that the going concern basis as applied in the Annual Financial Statements and Condensed Consolidated Financial Statements of the Group is appropriate and that prudent judgments and reasonable estimates have been made in accordance with the requirements set out in established and applicable Financial Reporting Standards.</p>



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

SEGMENT	KEY ELEMENT
Policies & Procedures	<p>STANDARD OPERATING PROCEDURES</p> <p>Clear, formalised and documented internal policies, standards and procedures are in place to ensure compliance with internal controls and relevant laws and regulations.</p> <p>Information relating to Financial, Procurement & Contract Management, Human Resources and Information Technology are documented and accessible through the Group's intranet and manuals.</p> <p>In addition, the Group has obtained accreditation from local and international bodies to standardise relevant processes such as ISO9001 and ISO14000.</p> <p>ANTI-BRIBERY AND CORRUPTION (ABC)</p> <p>It is also important for the Group to comply with, uphold and conduct its business in accordance with applicable laws in relation to anti-bribery and corruption. The details of ABC policy are on page 80.</p> <p>CODE OF CONDUCT</p> <p>The Code of Conduct is given to all newly recruited staff upon joining the Group.</p> <p>They are required to strictly adhere to the Code of Conduct in order to ensure a high level of discipline and integrity while carrying out their duties.</p> <p>It is the responsibility of all staff to maintain and practise the Code of Conduct as part of their accountability towards achieving the Group's overall objectives.</p> <p>CUSTOMER CHARTER</p> <p>The Customer Charter is a benchmark set by the Group for evaluating operational efficiency and performance in meeting service delivery standards and customer satisfaction.</p> <p>The Management is committed to ensuring strict adherence to the Customer Charter at all levels of operation.</p> <p>For any failure to meet the Customer Charter, the Management carries out service recovery initiatives.</p> <p>WHISTLEBLOWER POLICY</p> <p>The policy was approved by the Board to provide an avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including breaches of the Code of Conduct and of the Group's policies, in a secure and confidential manner.</p>
Audit	<p>INTERNAL AUDIT</p> <p>The internal control practices are audited in-house by GIA to assess the adequacy and effectiveness aspects of governance, risk and controls.</p> <p>Any irregularity or significant finding by GIA is reported to the ARC together with recommendations for corrective measures on a timely basis.</p> <p>The Management is responsible for ensuring that corrective actions are carried out within a determined timeframe.</p> <p>EXTERNAL AUDIT</p> <p>The External Auditors' Annual Plan, which comprises planned audit services (inclusive of other assurance related services), recurring non-audit services and non-recurring non-audit services, is tabled to the ARC for deliberation and approval.</p> <p>Other than the financial statutory audit, there are audits on operational statutory compliance conducted by the relevant authorities, such as the DOE Compliance Audit and BOMBA (Malaysia) Fire Certificate Inspection Audit, to ensure fulfilment of licence conditions.</p> <p>CERTIFICATION AUDIT</p> <p>The audit is conducted by certification bodies, on a scheduled-basis, such as ISO 9001: 2015, and ISO 14001: 2015, to ensure continuous certification is obtained from local and international bodies including renewals of certification.</p>

Our efforts in ensuring our organisation subscribes to good governance practices

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

SEGMENT	KEY ELEMENT
Compliance	<p>The role of Group Legal Counsel is to advise the Board and Management on all legal matters and manage any litigation.</p> <p>It also plays a pivotal role in ensuring that interests of the Group are legally preserved and safeguarded.</p> <p>The Board is updated through reports as and when there is an introduction of new legislation, new terms of business or changes in existing laws relevant to the Group.</p>
Performance Measurement	<p>Key performance indicators (KPIs), which are based on the Corporate and Divisional Balanced Scorecards and Behavioural Competencies, are used to track and measure employees' performance.</p> <p>In addition, annual employee engagements and customer satisfaction surveys are conducted to gain feedback on the effectiveness and efficiency of stakeholder engagements for continuous improvement.</p>
Employees' Competencies	<p>Training and development programmes are identified and scheduled for the staff to acquire the necessary knowledge, skills and core competencies to enhance their professionalism. This is to ensure that the Group can assign staff with specific and specialised training, thereby minimising unnecessary errors or non-compliance with the established policies.</p>

REVIEW OF THIS STATEMENT

As required by Para 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3") issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2020, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects; has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely for, and directed solely to the Board in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

GIA has also reviewed this Statement and reported to the ARC that, while it has addressed certain individual lapses in internal control during the course of its internal audit assignments for the year, it has not identified any circumstances which suggest any fundamental deficiencies in the Group's internal control and risk management system.

CONCLUSION

The Board is of the view that the system of internal control and risk management in place for the year under review, and up to the date of approval of this Statement, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments and the interests of customers, regulators, employees and other stakeholders.

The Board has received assurance from the GCEO that the Group's internal control and risk management system is operating adequately and effectively in all material aspects, based on the framework adopted by the Group.

Statement made in accordance with the Board's Resolution dated 25 February 2021.

Tan Sri Dr. Ismail bin Hj. Bakar
Chairman

Datuk Yasmin binti Mahmood
Independent Non-Executive Director



DIRECTORS

Tan Sri Dr. Ismail bin Hj. Bakar
Zakiah binti Jaafar
Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)
Dato Sri Fong Joo Chung
Datuk Nasarudin bin Md Idris
Dzafri Sham bin Ahmad
Dato' Sri Mohamed Khalid bin Yusuf @ Yusup
Datuk Yasmin binti Mahmood
Datuk Nozirah binti Bahari
Salihin bin Abang

REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

Lot 15, Block 20, Kemena Land District
12th Mile, Tanjung Kidurong Road
97000 Bintulu, Sarawak

AUDITORS

Ernst & Young PLT

PRINCIPAL BANKER

CIMB Bank Berhad

AUDITED FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS

95	Directors' Report
99	Statement by Directors
99	Statutory Declaration
100	Statements of Profit or Loss and Other Comprehensive Income
102	Statements of Financial Position
104	Statements of Changes in Equity
105	Statements of Cash Flows
109	Notes to the Financial Statements
174	Independent Auditors' Report

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 2020.

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	93,301	118,186
Profit attributable to:		
Equity holders of the parent	93,301	118,186

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 2019 were as follows:

In respect of the financial year ended 31 December 2019 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 16 April 2020	9,200



DIRECTORS' REPORT

DIVIDENDS (CONTINUED)

In respect of the financial year ended 31 December 2020:

	RM'000
First interim single tier dividend of 2.00 sen per share on 460,000,000 ordinary shares, paid on 10 August 2020	9,200
Second interim single tier dividend of 2.00 sen per share on 460,000,000 ordinary shares, paid on 8 October 2020	9,200
Third interim single tier dividend of 4.00 sen per share on 460,000,000 ordinary shares, paid on 29 December 2020	18,400
	46,000

The Directors have authorised on 25 February 2021 the payment of a fourth interim single tier dividend of 2.0 sen per share on 460,000,000 ordinary shares, amounting to RM9,200,000, which will be paid on 15 April 2021 to shareholders registered on the Company's Register of Members at the close of business on 26 March 2021. 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 2021.

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:

Tan Sri Dr. Ismail bin Hj. Bakar
 Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani
 Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)
 Dato Sri Fong Joo Chung
 Datuk Nasarudin bin Md Idris
 Dzafri Sham bin Ahmad
 Dato' Sri Mohamed Khalid bin Yusuf @ Yusup
 Datuk Yasmin binti Mahmood
 Datuk Nozirah binti Bahari
 Salihin bin Abang
 Zakiah binti Jaafar (Appointed on 1.3.2020)

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.

DIRECTORS' REPORT**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 RM60,000.

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 there were no known bad debts 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) it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of these financial statements of the Group and of the Company; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (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.



DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONTINUED)

(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.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. 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 16 March 2021.

Tan Sri Dr. Ismail Bin Hj Bakar

Dato Sri Fong Joo Chung

STATEMENT BY DIRECTORS

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

We, **Tan Sri Dr. Ismail Bin Hj Bakar** 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 100 to 173 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 2020 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 16 March 2021.

Tan Sri Dr. Ismail Bin Hj Bakar

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 100 to 173 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
16 March 2021

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 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from port services rendered	4	645,339	650,730	-	-
Revenue from construction services for concession infrastructure	4	8,392	8,683	-	-
Revenue from bulking services	4	40,615	43,935	-	-
Dividend income from subsidiaries	4	-	-	125,200	122,200
Management fee charged to subsidiaries	4	-	-	43,416	43,764
Rental income	4	21,358	21,756	-	-
		715,704	725,104	168,616	165,964
Other income	5	13,288	11,631	2,198	2,395
Cost of construction services	6	(8,392)	(8,683)	-	-
Employee benefit expenses	7	(128,869)	(116,604)	(36,459)	(33,884)
Depreciation of property, plant and equipment	13	(33,860)	(31,076)	(716)	(515)
Depreciation of right-of-use assets	14	(29,977)	(11,986)	-	-
Amortisation of intangible assets	16	(152,988)	(151,571)	(342)	(281)
Charter hire of vessels		(8,310)	(6,492)	-	-
Maintenance dredging costs	25	(36,399)	(22,233)	-	-
Fuel, electricity and utilities		(19,415)	(26,971)	(47)	(68)
Insurance expenses		(3,467)	(3,024)	(84)	(85)
Repair and maintenance		(40,941)	(41,349)	(454)	(644)
Replacement obligations	25	(5,006)	(6,075)	-	-
Service contracts		(40,973)	(42,197)	-	-
Other expenses	8	(37,752)	(37,744)	(15,825)	(17,437)
Total expenses		(546,349)	(506,005)	(53,927)	(52,914)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020 (Continued)

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Operating profit		182,643	230,730	116,887	115,445
Finance costs	9	(75,176)	(76,459)	-	-
Finance income	5	19,199	24,761	1,299	2,981
Profit before tax		126,666	179,032	118,186	118,426
Income tax expense	11	(33,365)	(49,733)	-	-
Profit net of tax, representing total comprehensive income for the year		93,301	129,299	118,186	118,426
Other comprehensive income					
Other comprehensive income that will be reclassified to profit or loss in subsequent periods:					
Foreign currency translation		54	-	-	-
Other comprehensive income for the year		54	-	-	-
Total comprehensive income for the year		93,355	129,299	118,186	118,426
Profit attributable to:					
Equity holders of the parent		93,301	129,299	118,186	118,426
Earnings per share					
Basic (sen)	12	20.28	28.11		



STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Assets					
Non-current assets					
Property, plant and equipment	13	273,352	296,890	4,183	4,095
Right-of-use assets	14	92,336	73,476	-	-
Investment in subsidiaries	15	-	-	1,051,900	1,051,900
Intangible assets	16	1,532,213	1,675,702	1,512	1,854
Deferred tax assets	17	58,857	58,035	-	-
Trade and other receivables	18	10,269	-	-	-
		1,967,027	2,104,103	1,057,595	1,057,849
Current assets					
Inventories		3,705	4,002	-	-
Tax recoverable		2,794	1,734	-	-
Trade and other receivables	18	82,404	98,624	2,337	11,676
Investment in securities	19	229,902	124,852	22,220	-
Cash and bank balances	20	667,304	694,704	84,007	26,066
		986,109	923,916	108,564	37,742
Total assets		2,953,136	3,028,019	1,166,159	1,095,591

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020 (Continued)

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
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		54	-	-	-
Retained earnings	36	486,583	439,282	254,337	182,151
Total equity		1,377,455	1,330,100	1,145,155	1,072,969
Non-current liabilities					
Other payables	22	59,906	51,547	16,123	17,305
Loans and borrowings	23	940,338	938,827	-	-
Lease liabilities	24	325,860	452,780	-	-
Provisions	25	17,622	12,151	-	-
		1,343,726	1,455,305	16,123	17,305
Current liabilities					
Other payables	22	38,513	52,637	4,881	5,317
Lease liabilities	24	170,627	138,861	-	-
Provisions	25	19,453	39,476	-	-
Income tax payable		3,362	11,640	-	-
		231,955	242,614	4,881	5,317
Total liabilities		1,575,681	1,697,919	21,004	22,622
Total equity and liabilities		2,953,136	3,028,019	1,166,159	1,095,591

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



STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Note	Share Capital RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000	Equity Total RM'000
Group					
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
2019					
At 1 January 2019		890,818	-	401,090	1,291,908
Less: MFRS 16 adjustment		-	-	(8,307)	(8,307)
Total comprehensive income		-	-	129,299	129,299
Transactions with owners					
Dividends on ordinary shares	26	-	-	(82,800)	(82,800)
At 31 December 2019		890,818	-	439,282	1,330,100
Company					
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
2019					
At 1 January 2019		890,818		146,525	1,037,343
Total comprehensive income		-		118,426	118,426
Transactions with owners					
Dividends on ordinary shares	26	-		(82,800)	(82,800)
At 31 December 2019		890,818		182,151	1,072,969

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

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Operating activities					
Profit before tax		126,666	179,032	118,186	118,426
<u>Adjustments for:</u>					
Amortisation of intangible assets	16	152,988	151,571	342	281
Depreciation of property, plant and equipment	13	33,860	31,076	716	515
Depreciation of right-of-use assets	14	29,977	11,986	-	-
Finance costs	9	75,176	76,459	-	-
Bad debts written off	8	-	28	-	-
Inventories written off	8	170	-	-	-
Net (gain)/loss on disposal of property, plant and equipment	5,8	(315)	(118)	13	-
Dividend income from subsidiaries	4	-	-	(125,200)	(122,200)
Dividend income from unit trust	5	(9,989)	(6,707)	(843)	(786)
Interest income	5	(19,199)	(24,761)	(1,299)	(2,981)
Guarantee fee income	5	-	-	(1,339)	(1,276)
Gain in derecognition of right-of-use asset	5	(650)	-	-	-
Fair value (gain)/loss on investments in securities	5,8	(1,240)	(2,527)	570	(333)
Staff gratuities	22	1,001	1,194	-	-
Provision for maintenance dredging costs	25	36,399	22,233	-	-
Provision for replacement obligations	25	5,006	6,075	-	-
Unrealised gain in foreign exchange	5	(10)	-	-	-
Directors' gratuities	22	229	263	229	263
Reversal of impairment on trade receivables	5	-	(49)	-	-
Total adjustments		303,403	266,723	(126,811)	(126,517)



STATEMENTS OF CASH FLOWS

For the year ended 31 December 2020 (Continued)

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Operating cash flows before working capital		430,069	445,755	(8,625)	(8,091)
<u>Changes in working capital</u>					
Decrease in inventories		127	116	-	-
Decrease/(Increase) in trade and other receivables		7,947	(1,438)	71	435
Decrease/(increase) in other current assets		7,327	12,921	113	(232)
(Decrease)/increase in other payables		(12,969)	(2,042)	(529)	2,694
Net change in subsidiaries balances		-	-	9,551	(6,219)
Payment of maintenance dredging	25	(56,991)	(16,794)	-	-
Total changes in working capital		(54,559)	(7,237)	9,206	(3,322)
Cash flows generated from/(used in) operations		375,510	438,518	581	(11,413)
Directors' gratuities paid	22	(332)	(182)	(332)	(182)
Income tax paid, net refunded		(43,520)	(57,333)	-	-
Staff gratuities paid	22	(5,170)	(6,062)	-	-
Net cash flows generated from/(used in) operating activities		326,488	374,941	249	(11,595)

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2020 (Continued)

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Investing activities					
Interest received		20,056	23,346	1,256	3,145
Acquisition of property, plant and equipment	13	(10,476)	(43,371)	(818)	(1,199)
Increase in intangible assets	16	(9,390)	(12,628)	-	(2,008)
Investment in a subsidiary		-	-	-	(90,000)
Proceeds from disposal of property, plant and equipment		358	845	1	-
Purchase of investment in securities		(93,821)	(36,913)	(21,947)	-
Proceeds from investment in securities		-	11,903	-	11,903
Net dividends received		-	-	125,200	122,200
Net movement in fixed deposits with maturity more than 3 months		(5)	5,500	-	-
Net cash flows (used in)/generated from investing activities		(93,278)	(51,318)	103,692	44,041
Financing activities					
Dividends paid	26	(46,000)	(82,800)	(46,000)	(82,800)
Profit expense paid on Sukuk	23	(37,527)	(37,836)	-	-
Interest paid on lease liabilities	24(i),(ii)	(23,619)	(25,808)	-	-
Payment of principal portion of lease liabilities		(153,487)	(121,334)	-	-
Net cash flows used in financing activities		(260,633)	(267,778)	(46,000)	(82,800)
Net (decrease)/increase in cash and cash equivalents		(27,423)	55,845	57,941	(50,354)
Effects of exchange rate changes		18	-	-	-
Cash and cash equivalents at beginning of the year		675,944	620,099	26,066	76,420
Cash and cash equivalents at end of the year	20	648,539	675,944	84,007	26,066



STATEMENTS OF CASH FLOWS

For the year ended 31 December 2020 (Continued)

Changes in liabilities arising from financing activities

	1 January RM'000	MFRS 16 Adjustment 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 2020							
Current lease liabilities	138,861	-	17,769	(153,487)	167,449	35	170,627
Non-current lease liabilities	452,780	-	40,529	-	(167,449)	-	325,860
Non-current interest- bearing borrowings (excluding lease liabilities)	938,827	-	-	1,511	-	-	940,338
	1,530,468	-	58,298	(151,976)	-	35	1,436,825
For year ended 31 December 2019							
Current lease liabilities	115,393	6,262	-	(121,334)	138,540	-	138,861
Non-current lease liabilities	501,189	90,131	-	-	(138,540)	-	452,780
Non-current interest- bearing borrowings (excluding lease liabilities)	937,316	-	-	1,511	-	-	938,827
	1,553,898	96,393	-	(119,823)	-	-	1,530,468

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

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 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

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



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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
Amendment to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 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 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.4 Basis of consolidation (Continued)**

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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.6 Service concession arrangements (Continued)

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.

2.7 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 asset 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.7 Intangible assets (Continued)

(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.

2.8 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 - 10 years
Office furniture, fittings and equipment	5 - 10 years
Vessels	14 - 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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.12 Financial Instruments (Continued)

i) Financial assets (Continued)

Initial recognition and measurement (Continued)

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 cash flows while financial assets 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.12 Financial Instruments (Continued)****i) Financial assets (Continued)****Financial assets at fair value through profit or loss (Continued)**

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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 into 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 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.12 Financial Instruments (Continued)****ii) Financial liabilities (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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.13 Revenue (Continued)

b) Revenue from other sources

Revenue from other sources are 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 Income taxes (Continued)****(b) Deferred tax (Continued)**

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.

2.15 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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.15 Employee benefits (Continued)

(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.

2.17 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

(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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.19 Leases (Continued)

Group and Company as a lessee (Continued)

(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.

2.20 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

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



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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

2.23 Current versus non-current classification (Continued)

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

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

(ii) Investment in a subsidiary, SIPSB

When Note 3.2 (a)(i) identified impairment assessment 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 VIU. Further details are disclosed in Note 16.

(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 MFRS137.

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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

4. REVENUE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from contracts with customers				
- Revenue from port services rendered	645,339	650,730	-	-
- Revenue from construction services for concession infrastructure	8,392	8,683	-	-
- Revenue from bulking services	40,615	43,935	-	-
	694,346	703,348	-	-
Revenue from other source:				
- Management fee charged to subsidiaries	-	-	43,416	43,764
- Dividend income from subsidiaries	-	-	125,200	122,200
- Rental income	21,358	21,756	-	-
	21,358	21,756	168,616	165,964
	715,704	725,104	168,616	165,964

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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Timing of revenue recognition:				
- Over time	694,346	703,348	-	-

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

4. REVENUE (CONTINUED)

Provision of port services

a) Bintulu Port Sdn. Bhd. ("BPSB")

The variable element in consideration is contingent upon or affected by certain customers achieving the cargoes volume 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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Finance income:				
Interest income from:				
- Current account	28	40	-	-
- Short term deposits	18,447	24,670	1,299	2,981
- Staff loans	47	51	-	-
- Sublease	677	-	-	-
	19,199	24,761	1,299	2,981



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

5. OTHER INCOME (CONTINUED)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Other income:				
Reversal of impairment of trade receivables (Note 18)	-	49	-	-
Dividend income from investment in securities	9,989	6,707	843	786
Rental income	10	30	-	-
Gain on disposal of property, plant and equipment	315	118	-	-
Gain in derecognition of right-of-use asset	650	-	-	-
Fair value gain on investment in securities	1,240	2,527	-	333
Guarantee fee income	-	-	1,339	1,276
Others	1,074	2,200	16	-
Unrealised gain in foreign exchange	10	-	-	-
	13,288	11,631	2,198	2,395
	32,487	36,392	3,497	5,376

6. COST OF CONSTRUCTION SERVICES

	Group	
	2020 RM'000	2019 RM'000
Cost of construction services for concession infrastructure	8,392	8,683

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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Wages, salaries, allowance and bonus	102,825	89,275	28,318	25,186
Defined contribution plan (Employees Provident Fund)	13,753	11,885	4,211	3,663
Staff gratuities (Note 22)	1,001	1,194	-	-
Other employee benefits	11,290	14,250	3,930	5,035
	128,869	116,604	36,459	33,884

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

8. OTHER EXPENSES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
The following items have been included in arriving at other expenses:				
Auditors' remuneration	357	313	100	100
Non-Executive Directors (Note 10)				
- Fees	1,712	1,799	1,151	1,179
- Other emoluments	666	922	576	809
Loss on disposal of property, plant and equipment	-	-	13	-
Fair value loss on investment in securities	-	-	570	-
Realised loss on foreign exchange	616	-	-	-
Rental of equipment	520	1,989	39	68
Rental of premises	89	47	3,600	3,600
Bad debts written off (Note 18)	-	28	-	-
Inventories written off	170	-	-	-

9. FINANCE COSTS

	Group	
	2020 RM'000	2019 RM'000
Unwinding of discount		
- Contractual obligation for lease payment (Note 24)	18,035	21,681
- Maintenance dredging (Note 25)	569	-
- Lease liabilities (Note 24)	5,584	4,127
- Replacement obligations (Note 25)	465	262
Profit expense on Sukuk Murabahah (Note 23)	50,523	50,389
	75,176	76,459



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-Executive Directors:				
- Fees	1,712	1,799	1,151	1,179
- Meeting and other allowances	437	568	347	455
	2,149	2,367	1,498	1,634
- Provision for Directors' Gratuities	229	354	229	354
	2,378	2,721	1,727	1,988

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

	2020	2019
Non-Executive Directors:		
RM50,001 - RM100,000	1	2
RM100,001 - RM150,000	9	8
RM150,001 - RM200,000	-	2
RM200,001 - RM250,000	1	1

11. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 31 December 2020 and 2019 are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Statement of profit or loss:				
Current income tax:				
- Malaysian income tax	33,144	56,182	-	-
- Foreign tax	1,097	-	-	-
(Over)/Underprovision in previous years				
- Malaysian income tax	(54)	2,493	-	-
	34,187	58,675	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

11. INCOME TAX EXPENSE (CONTINUED)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Deferred income tax (Note 17):				
Reversal of temporary differences	(2,081)	(7,213)	-	-
Under/(Over)provision in previous years	1,259	(1,729)	-	-
	(822)	(8,942)	-	-
Income tax expense recognised in profit or loss	33,365	49,733	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial year.

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2020 and 2019 are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit before tax	126,666	179,032	118,186	118,426
Tax at Malaysian statutory tax rate of 24% (2019: 24%)	30,400	42,968	28,365	28,422
Adjustments:				
Effect of different tax rate in other country	(415)	-	-	-
Non-deductible expenses	5,221	5,193	680	897
Income not subject to tax	(2,864)	(2,187)	(30,250)	(29,596)
(Over)/Underprovision of tax expenses in previous years	(54)	2,493	-	-
Under/(Over)provision of deferred tax in previous years	1,259	(1,729)	-	-
Utilisation of previously unrecognised deferred tax assets	(182)	-	-	-
Deferred tax assets not recognised during the year	-	2,995	1,205	277
Income tax expense recognised in profit or loss	33,365	49,733	-	-



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 years ended 31 December:

	Group	
	2020 RM'000	2019 RM'000
Profit net of tax	93,301	129,299

	Group	
	2020 '000	2019 '000
Number of ordinary shares for basic earnings per share computation	460,000	460,000

	Group	
	2020	2019
Basic earnings per share for profit for the year (sen)	20.28	28.11

(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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019	46,159	166,880	263,318	10,497	23,826	114,812	8,166	633,658
Additions	191	40	1,549	1,598	2,728	920	36,345	43,371
Disposals	-	-	(5,149)	(677)	-	-	-	(5,826)
Written off/ Expensed off	-	-	-	-	(51)	-	-	(51)
Reclassification from/ (to) intangible assets	756	-	-	-	2,102	-	(2,658)	200
Transfers	3,769	729	14,087	-	162	17,480	(36,227)	-
At 31 December 2019 and 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	53,325	167,649	276,617	11,375	29,887	132,026	2,963	673,842



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019	22,390	60,614	181,752	6,601	16,297	60,177	-	347,831
Charge for the year	3,393	6,565	13,062	886	1,906	5,264	-	31,076
Disposals	-	-	(4,460)	(639)	-	-	-	(5,099)
Reclassification from intangible assets	510	-	-	-	195	-	-	705
Written off	-	-	-	-	(51)	-	-	(51)
At 31 December 2019 and 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	29,088	73,885	204,559	7,476	19,910	65,572	-	400,490
Net carrying amount:								
31 December 2019	24,582	100,470	83,451	4,570	10,420	67,771	5,626	296,890
31 December 2020	24,237	93,764	72,058	3,899	9,977	66,454	2,963	273,352

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019	1,803	1,695	-	3,498
Additions	271	928	-	1,199
Reclassification from intangible assets	-	1,013	-	1,013
Written off/ Disposal	-	(51)	-	(51)
At 31 December 2019 and 1 January 2020	2,074	3,585	-	5,659
Additions	-	677	141	818
Disposals	-	(27)	-	(27)
At 31 December 2020	2,074	4,235	141	6,450
Accumulated depreciation:				
At 1 January 2019	617	483	-	1,100
Charge during the year	232	283	-	515
Written off/ Disposal	-	(51)	-	(51)
At 31 December 2019 and 1 January 2020	849	715	-	1,564
Charge during the year	254	462	-	716
Disposals	-	(13)	-	(13)
At 31 December 2020	1,103	1,164	-	2,267
Net carrying amount:				
At 31 December 2019	1,225	2,870	-	4,095
At 31 December 2020	971	3,071	141	4,183



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

14. RIGHT-OF-USE ASSETS

	Vessels RM'000	Leasehold land RM'000	Total RM'000
Group			
Cost:			
At 1 January 2019 and 31 December 2019	108,012	26,617	134,629
Additions	49,060	-	49,060
Exchange differences	(304)	-	(304)
At 31 December 2020	156,768	26,617	183,385
Accumulated depreciation:			
At 1 January 2019	42,956	6,211	49,167
Charge for the year	11,099	887	11,986
At 31 December 2019 and 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	83,064	7,985	91,049
Net carrying amount:			
At 31 December 2019	53,957	19,519	73,476
At 31 December 2020	73,704	18,632	92,336

15. INVESTMENT IN SUBSIDIARIES

	Company	
	2020 RM'000	2019 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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

15. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Country of Incorporation	Principal activities	Proportion of Ownership Interest	
			2020 %	2019 %
Held by the Company:				
Bintulu Port Sdn. Bhd.	Malaysia	Provision of port services at Bintulu Port, Sarawak	100	100
Biport Bulkiers 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 2019	1,851,913	1,806,590	24,531	18,984	4,947	15	3,706,980
Additions	-	702	-	718	11,208	-	12,628
Transfer (to)/from property, plant and equipment	-	(1,679)	-	553	926	-	(200)
Transfers	-	9,600	-	4,978	(14,578)	-	-



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019 and 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 (to)/from property, plant and equipment	-	-	-	109	-	-	109
Transfers	-	3,638	-	145	(3,783)	-	-
At 31 December 2020	1,851,913	1,820,338	24,531	26,338	5,772	15	3,728,907
Accumulated amortisation:							
At 1 January 2019	1,424,807	434,893	19,735	13,405	-	-	1,892,840
Charge for the year	83,242	65,984	1,199	1,146	-	-	151,571
Reclassification to property, plant and equipment	-	(705)	-	-	-	-	(705)
At 31 December 2019 and 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	1,591,292	567,076	22,133	16,193	-	-	2,196,694
Net carrying amount:							
At 31 December 2019	343,864	1,315,041	3,597	10,682	2,503	15	1,675,702
At 31 December 2020	260,621	1,253,262	2,398	10,145	5,772	15	1,532,213

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

16. INTANGIBLE ASSETS (CONTINUED)

	Capital Work-in- progress RM'000	Software RM'000	Total RM'000
Company			
Cost:			
At 1 January 2019	142	1,465	1,607
Additions	1,424	584	2,008
Transfers	(553)	553	-
Transfer to property, plant and equipment	(1,013)	-	(1,013)
At 31 December 2019, 1 January 2020 and 31 December 2020	-	2,602	2,602
Accumulated amortisation:			
At 1 January 2019	-	467	467
Charge for the year	-	281	281
At 31 December 2019 and 1 January 2020	-	748	748
Charge for the year	-	342	342
At 31 December 2020	-	1,090	1,090
Net carrying amount:			
At 31 December 2019	-	1,854	1,854
At 31 December 2020	-	1,512	1,512

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 37-year period which is the remaining length of the concession period.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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% (2019: 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. 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						Total RM'000
	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	Others RM'000	
Group								
At 1 January 2019	73,257	(2,624)	(44,023)	(6,265)	(61,893)	(6,960)	(585)	(49,093)
Recognised in profit or loss (Note 11)	96	(611)	7,298	1,168	(14,896)	(1,728)	(269)	(8,942)
At 31 December 2019 and 1 January 2020	73,353	(3,235)	(36,725)	(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	72,417	(3,051)	(25,513)	(4,096)	(90,835)	(4,669)	(3,110)	(58,857)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

17. DEFERRED TAX (CONTINUED)

	Deferred tax liabilities	Deferred tax assets	Total RM'000
	Property plant and equipment RM'000	Unabsorbed capital allowance RM'000	
Company			
At 1 January 2019	369	(369)	-
Recognised in profit or loss (Note 11)	222	(222)	-
At 31 December 2019 and 1 January 2020	591	(591)	-
Recognised in profit or loss (Note 11)	(57)	57	-
At 31 December 2020	534	(534)	-

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

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unutilised tax losses	64,421	59,359	12,803	8,872
Unabsorbed capital allowances	3,956	2,864	3,956	2,864
Others	17,622	24,533	-	-
	85,999	86,756	16,759	11,736

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

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unutilised tax losses to be carried forward until:				
- Year of assessment 2025	55,935	55,935	8,493	8,493
- Year of assessment 2026	3,424	3,424	379	379
- Year of assessment 2027	5,062	-	3,931	-
	64,421	59,359	12,803	8,872



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current				
Trade receivables				
External parties	35,629	42,959	-	-
Other receivables				
Amounts due from subsidiaries	-	-	1,122	10,320
Interest receivable	1,212	2,746	66	23
Staff loans	1,741	1,926	628	697
Sundry receivables	3,574	3,418	23	25
	6,527	8,090	1,839	11,065
	42,156	51,049	1,839	11,065
Other current assets				
GST receivables	1,353	9,256	-	-
Prepaid operating expenses	23,002	22,909	498	611
Contract assets	15,893	15,410	-	-
	40,248	47,575	498	611
	82,404	98,624	2,337	11,676
Non-current				
Other receivables				
Lease receivable	10,269	-	-	-
	92,673	98,624	2,337	11,676

(a) Trade receivables

Trade receivables are non-interest bearing and are generally from 15 to 45 days (2019: 15 to 30 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 RM3,619,338 (2019: RM7,460,388) and RM1,141,840 (2019: RM1,938,389) respectively.

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

(b) Amounts due from subsidiaries

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Other current assets

Included in prepaid operating expenses is prepaid lease rental for the first quarter of the following year of RM20,379,694 (2019: RM20,234,597) 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:

	2020 RM'000	2019 RM'000
Receivable more than 5 years	10,269	-
The lease receivables are presented as follows:		
Non-current	10,269	-

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

	2020 RM'000	2019 RM'000
At 1 January	-	-
Additions	10,192	-
Accretion of interest	677	-
Receipt of lease	(600)	-
At 31 December	10,269	-

The movement of allowance for impairment losses of trade receivables during the year are as follows:

	2020 RM'000	2019 RM'000
At 1 January	-	49
Charge for the year (Note 8)	-	28
Reversal on impairment loss (Note 5)	-	(49)
Bad debts written off	-	(28)
At 31 December	-	-

19. INVESTMENT IN SECURITIES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<i>Fair value through profit or loss</i>				
Non-equity exposure unit trust fund	229,902	124,852	22,220	-



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

20. CASH AND BANK BALANCES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash at banks and on hand	8,939	8,244	507	1,466
Deposits with licensed financial institutions:				
Short term deposits with licensed banks	591,465	609,040	70,600	12,100
Money market instruments purchased under repurchase agreements	66,900	77,420	12,900	12,500
	658,365	686,460	83,500	24,600
Cash and bank balances	667,304	694,704	84,007	26,066

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

	Interest rate		Maturity	
	2020 %	2019 %	2020 Days	2019 Days
Group				
Deposits with licensed banks	1.90 - 2.05	3.00- 3.60	31 -180	31 - 180
Money market instruments purchased under repurchase agreements	1.25 - 1.50	2.60- 2.80	4 - 21	3 - 25

	Interest rate		Maturity	
	2020 %	2019 %	2020 Days	2019 Days
Company				
Deposits with licensed banks	1.95	3.45- 3.50	31 - 33	31 - 92
Money market instruments purchased under repurchase agreements	1.40- 1.50	2.70- 2.80	6 - 20	6 - 21

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

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash and bank balances	667,304	694,704	84,007	26,066
Less: Deposits with maturity period of more than 3 months	(18,765)	(18,760)	-	-
Cash and cash equivalents	648,539	675,944	84,007	26,066

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019 and 31 December 2019	460,000	*	890,818	*	890,818
At 1 January 2020 and 31 December 2020	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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

22. OTHER PAYABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current:				
Due to subsidiaries	-	-	365	12
Directors' gratuities	-	332	-	332
Accrued operating expenses	7,328	10,683	1,850	1,045
Sundry payables	21,494	26,945	1,255	2,589
Deposit received	3,716	5,411	-	-
Retention money	1,803	4,308	-	-
Staff gratuities	3,778	4,798	-	-
Financial guarantee contract	-	-	1,411	1,339
Others	394	160	-	-
	38,513	52,637	4,881	5,317
Non-current:				
SUKUK profit distribution	45,269	33,990	-	-
Directors' gratuities	1,348	1,119	1,348	1,119
Staff gratuities	13,289	16,438	-	-
Financial guarantee contract	-	-	14,775	16,186
	59,906	51,547	16,123	17,305
Total other payables	98,419	104,184	21,004	22,622

(a) Other payables

Sundry payables include amount due to Petroleum Sarawak Berhad (PETROS) and Petronas Dagangan Berhad, with the amount of RM122,737 (2019: Nil) and RM96,720 (2019: RM213,440) respectively. In 2019, there was an amount due to PETRONAS Gas Berhad of RM140,837. 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

22. OTHER PAYABLES (CONTINUED)

(c) Staff gratuities

	Group	
	2020 RM'000	2019 RM'000
At 1 January	21,236	26,104
Arose during the year (Note 7)	1,001	1,194
Payment during the year	(5,170)	(6,062)
At 31 December	17,067	21,236
Current:	3,778	4,798
Non-current:		
Later than 1 year but not later than 2 years	2,369	3,531
Later than 2 years but not later than 5 years	3,291	5,169
Later than 5 years	7,629	7,738
	13,289	16,438
	17,067	21,236

(d) Directors' gratuities

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	1,451	1,370	1,451	1,370
Arose during the year	229	263	229	263
Payment during the year	(332)	(182)	(332)	(182)
At 31 December	1,348	1,451	1,348	1,451
Current	-	332	-	332
Non-current	1,348	1,119	1,348	1,119
	1,348	1,451	1,348	1,451

(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 Group has measured the fair value of the financial guarantee liability in respect of borrowings of a subsidiary. As a result, an income of RM1.3 million (2019: RM1.2 million) was recognised during the year.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

23. LOANS AND BORROWINGS

	Group	
	2020 RM'000	2019 RM'000
Non-current		
Unsecured:		
Sukuk Murabahah	940,338	938,827
Total loans and borrowings	940,338	938,827

Sukuk Murabahah

The Sukuk Programme obtained by the Company, 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 the Company 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, the Company 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.

Summary of the Sukuk Murabahah is tabulated below:

As at 31 December 2020/2019

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

23. LOANS AND BORROWINGS (CONTINUED)

The Sukuk Murabahah is redeemable as follows:

	Group	
	2020 RM'000	2019 RM'000
Later than 2 years but not later than 5 years	260,000	160,000
Later than 5 years	680,338	778,827
	940,338	938,827

	Group	
	2020 RM'000	2019 RM'000
At 1 January	938,827	937,316
Payment during the year	(37,527)	(37,836)
Profit expense on Sukuk Murabahah (Note 9)	50,523	50,389
Accrued interest	(11,485)	(11,042)
	1,511	1,511
At 31 December	940,338	938,827

24. LEASE LIABILITIES

	Group	
	2020 RM'000	2019 RM'000
Current:		
Contractual payments to grantors in Service Concession Agreements	131,444	127,227
Other lease liabilities	39,183	11,634
	170,627	138,861
Non-current:		
Contractual payments to grantors in Service Concession Agreements	247,652	378,761
Other lease liabilities	78,208	74,019
	325,860	452,780
	496,487	591,641



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

24. LEASE LIABILITIES (CONTINUED)

(i) Contractual payments to grantors in Service Concession Agreements

	Group	
	2020 RM'000	2019 RM'000
At 1 January	505,988	616,582
Unwinding of discount (Note 9)	18,035	21,681
Payments	(144,927)	(132,275)
At 31 December	379,096	505,988
Current:	131,444	127,227
Non-current:		
Later than 1 year but not later than 2 years	135,871	131,444
Later than 2 years but not later than 5 years	-	135,871
Later than 5 years	111,781	111,446
	247,652	378,761
	379,096	505,988

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	2020 RM'000	2019 RM'000
Group			
Non-current	2022 - 2049	78,208	74,019
Current	2021	39,183	11,634
		117,391	85,653
Maturity of lease liabilities			
Within one year		39,183	11,634
Later than 1 year and not later than 2 years		13,674	12,198
Later than 2 years and not later than 5 years		21,716	24,079
Later than 5 years		42,818	37,742
		117,391	85,653

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

24. LEASE LIABILITIES (CONTINUED)

(ii) Other lease liabilities (Continued)

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

	2020 RM'000	2019 RM'000
Group		
At 1 January	85,653	96,393
Addition	58,298	-
Unwinding of discount (Note 9)	5,584	4,127
Payments	(32,179)	(14,867)
Exchange differences	35	-
At 31 December	117,391	85,653

The following are the amounts recognised in profit or loss:

	2020 RM'000	2019 RM'000
Depreciation expense of right-of-use assets	29,977	11,986
Unwinding of discount on lease liabilities	5,584	4,127
Expenses relating to short-term lease	805	3,150
Total amount recognised in profit or loss	36,366	19,263

The Group had total cash outflows for other leases of RM32,964,877 (2019: RM18,017,198).

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

25. PROVISIONS

	Maintenance dredging RM'000	Replacement obligations RM'000	Total RM'000
Group			
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
At 1 January 2019	34,037	5,814	39,851
Arose during the year	22,233	6,075	28,308
Unwinding of discount (Note 9)	-	262	262
Payments	(16,794)	-	(16,794)
At 31 December 2019	39,476	12,151	51,627
Current	39,476	-	39,476
Non-current	-	12,151	12,151
	39,476	12,151	51,627

26. DIVIDENDS

	Dividends in respect of the year		Dividends recognised in year	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Interim single tier dividend for 2018				
- 6.00 sen per share	-	-	-	27,600
Interim single tier dividend for 2019				
- 4.00 sen per share	-	18,400	-	18,400
- 4.00 sen per share	-	18,400	-	18,400
- 4.00 sen per share	-	18,400	-	18,400
- 2.00 sen per share	-	9,200	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	-
	36,800	64,400	46,000	82,800

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

26. DIVIDENDS (CONTINUED)

The Directors have authorised on 25 February 2021 the payment of a fourth interim single tier dividend of 2.0 sen per share on 460,000,000 ordinary shares, amounting to RM9,200,000, which will be paid on 15 April 2021 to shareholders registered on the Company's Register of Members at the close of business on 26 March 2021. 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 2021.

27. COMMITMENTS**Capital commitments**

Capital expenditure as at the reporting date is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Capital expenditure				
Approved and contracted for:				
Property, plant and equipment and concession intangible assets	8,501	12,872	361	-
Approved but not contracted for:				
Property, plant and equipment and concession intangible assets	497	4,505	-	-
	8,998	17,377	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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Significant transactions with subsidiaries				
Dividend income	-	-	125,200	122,200
Management fee received from subsidiaries	-	-	43,416	43,764
Rental expense charged by BPSB	-	-	(3,600)	(3,600)



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

28. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Transactions with subsidiaries of a substantial shareholder, Petroliaam Nasional Berhad:				
Rendering of services:				
- Malaysia LNG Sdn. Bhd.	177,210	208,476	-	-
- Vestigo Petroleum Sdn. Bhd.	523	392	-	-
- PETRONAS Carigali Sdn. Bhd.	9,404	10,142	-	-
- PETRONAS Dagangan Berhad	1,412	1,753	-	-
- PETRONAS Floating LNG 1 (L) Ltd	709	2,159	-	-
- PETRONAS Chemical Marketing (L) Ltd	845	780	-	-
Purchase of fuel and lubricants:				
- PETRONAS Dagangan Berhad	(9,515)	(14,619)	-	-
Purchase of gas:				
- PETRONAS Gas Berhad	-	(3,037)	-	-
Transactions with a subsidiary of a substantial shareholder, State Financial Secretary (Sarawak State Government):				
Purchase of gas:				
- Petroleum Sarawak Berhad (PETROS)	(2,457)	-	-	-

Information regarding outstanding balances arising from related party transactions as at 31 December 2020 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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Remuneration and benefits	3,919	4,011	2,966	3,122
Post-employment benefits:				
Defined contribution plan	259	231	259	231
	4,178	4,242	3,225	3,353

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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	2,283,445	237,438
	(2019: 2,281,398)	(2019: 351,583)
• 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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

29. SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

(b) SIPSB (Continued)

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

	← Intangible assets →	
	Gross value RM'000	Net carrying amount RM'000
<ul style="list-style-type: none"> Description arrangement: Financing, building and operating of Samalaju Port 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 	1,419,108 (2019: 1,412,760)	1,284,615 (2019: 1,313,421)

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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Group				
Financial liabilities:				
Interest-bearing loans and borrowings – Non-current				
- SUKUK Murabahah	940,338	938,827	918,401	917,950

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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).



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

31. FAIR VALUE MEASUREMENT (CONTINUED)

Fair value hierarchy (Continued)

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

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				
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	-	918,401	-	918,401
2019				
Current assets at fair value (Note 19)				
Investment in securities	-	124,852	-	124,852
Liabilities for which fair values are disclosed				
Loans and borrowings				
- SUKUK Murabahah	-	917,950	-	917,950
Company				
2020				
Current assets at fair value (Note 19)				
Investment in securities	-	22,220	-	22,220
2019				
Current assets at fair value (Note 19)				
Investment in securities	-	-	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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.

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Exposure to credit risk, credit quality and collateral (Continued)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Recognition and measurement of impairment loss (Continued)

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 2020 and 31 December 2019:

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
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
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.

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



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Recognition and measurement of impairment loss (Continued)

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group (Continued)			
31 December 2019			
Trade receivables – LNG*:			
Current (not past due)	8,125	-	8,125
1 to 15 days past due	871	-	871
More than 90 days past due	307	-	307
	9,303	-	9,303
Trade receivables - Non LNG:			
Current (not past due)	8,387	-	8,387
1 to 30 days past due	3,519	-	3,519
More than 90 days past due	6,672	-	6,672
	18,578	-	18,578
	27,881	-	27,881
* - This relates to customers with vessels that carry liquefied natural gas.			
Trade receivables - bulking services:			
Current (not past due)	3,143	-	3,143
1 to 30 days past due	141	-	141
	3,284	-	3,284
Trade receivables - port services at Samalaju:			
Current (not past due)	11,794	-	11,794
	42,959	-	42,959

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 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
At 31 December 2019					
Financial liabilities:					
Other payables (Note 22)	104,184	104,184	52,637	9,819	41,728
Loans and borrowings (Note 23)	938,827	1,400,484	37,527	292,805	1,070,152
Lease liabilities (Note 24)	591,641	787,747	160,182	346,492	281,073
Total undiscounted financial liabilities	1,634,652	2,292,415	250,346	649,116	1,392,953



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 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
At 31 December 2019					
Financial liabilities:					
Other payables (Note 22)	5,097	5,097	3,978	1,119	-
Financial guarantee contract (Note 22)	17,525	17,525	1,339	6,015	10,171
Total undiscounted financial liabilities	22,622	22,622	5,317	7,134	10,171

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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
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
2019				
Group				
Financial assets				
Trade and other receivables	18	-	51,049	51,049
Cash and bank balances	20	-	694,704	694,704
Investment in securities	19	124,852	-	124,852
		124,852	745,753	870,605
Financial liabilities				
Other payables	22	-	104,184	104,184
Loans and borrowings	23	-	938,827	938,827
Lease liabilities	24	-	591,641	591,641
		-	1,634,652	1,634,652



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

33. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
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
2019				
Company				
Financial assets				
Trade and other receivables	18	-	11,065	11,065
Cash and bank balances	20	-	26,066	26,066
		-	37,131	37,131
Financial liabilities				
Other payables	22	-	22,622	22,622

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

34. CAPITAL MANAGEMENT (CONTINUED)

	Note	Group	
		2020 RM'000	2019 RM'000
Loans and borrowings	23	940,338	938,827
Other payables	22	98,419	104,184
Lease liabilities	24	496,487	591,641
Less: Cash and bank balances	20	(667,304)	(694,704)
Net debt		867,940	939,948
Equity attributable to the owners of the parent		1,377,455	1,330,100
Total equity		1,377,455	1,330,100
Capital and net debt		2,245,395	2,270,048
Gearing ratio		38.65%	41.41%

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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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 2019						
Revenue:						
External customers (Note 4)	675,444	49,660	-	-		725,104
Inter-segment	-	6,924	165,964	(172,888)		-
Total revenue	675,444	56,584	165,964	(172,888)		725,104
Results:						
Interest income	20,951	829	2,981	-		24,761
Guarantee fee income	-	-	1,276	(1,276)		-
Depreciation and amortisation	184,737	9,100	796	-		194,633
Other non-cash expenses	54,379	1,193	263	-	A	55,835
Segment profit	157,490	26,592	118,426	(123,476)	B	179,032
Assets:						
Additions to non-current assets	47,133	5,659	3,207	-	C	55,999
Segment assets	2,821,805	176,314	1,095,591	(1,065,691)	D	3,028,019
Segment liabilities	1,675,761	30,866	22,622	(31,330)	E	1,697,919

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

	Group	
	2020 RM'000	2019 RM'000
Staff gratuities	1,001	1,194
Maintenance dredging costs	36,399	22,233
Replacement costs	5,006	6,075
Directors' gratuities	229	263
Unwinding of discount	24,653	26,070
Inventories written off	170	-
	67,458	55,835



NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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	
	2020 RM'000	2019 RM'000
Dividend income	(125,200)	(122,200)
Guarantee fee income	(1,339)	(1,276)
	(126,539)	(123,476)

- C Additions to non-current assets consist of:

Property, plant and equipment	10,476	43,371
Intangible assets	9,390	12,628
	19,866	55,999

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

	2020 RM'000	2019 RM'000
Investment in subsidiaries	(1,051,900)	(1,051,900)
Inter-segment assets	(2,907)	(13,791)
	(1,054,807)	(1,065,691)

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

	2020 RM'000	2019 RM'000
Inter-segment liabilities	(19,108)	(31,330)

- F Revenue from one (2019: one) major customer amounted to RM177 million (2019: RM208 million) representing 25% (2019: 30%) of the total Group's revenue.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

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	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Malaysia	682,467	725,104	1,872,562	2,046,068
Brunei	33,237	-	25,339	-
	715,704	725,104	1,897,901	2,046,068

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

	2020 RM'000	2019 RM'000
Property, plant and equipment	273,352	296,890
Right-of-use assets	92,336	73,476
Intangible assets	1,532,213	1,675,702
	1,897,901	2,046,068

36. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 December 2020 under the single tier system.

37. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with current year's presentation:

	Group	
	As restated RM'000	As previously stated RM'000
Trade and other receivables	98,624	102,626
Inventories	4,002	-

38. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 16 March 2021.



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 2020 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 100 to 173.

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 2020, 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.

INDEPENDENT AUDITORS' REPORT
to the members of Bintulu Port Holdings Berhad
(Incorporated in Malaysia)

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 RM1,285 million (represents 44% 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 RM690 million, representing 59% 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.



INDEPENDENT AUDITORS' REPORT

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

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 2020 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.

INDEPENDENT AUDITORS' REPORT
to the members of Bintulu Port Holdings Berhad
(Incorporated in Malaysia)

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.

**INDEPENDENT AUDITORS' REPORT**

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

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
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
16 March 2021

Najihah Binti Khalid
No. 03249/10/2022 J
Chartered Accountant

ADDITIONAL INFORMATION

SHAREHOLDINGS STATISTICS

As at 28 February 2021

1. ANALYSIS OF HOLDINGS

Size of Shareholdings Share	No. of Holders		No. of Shares		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1-99	65	3	540	148	0.000	0.000
100-1,000	594	16	495,231	10,396	0.107	0.002
1,001-10,000	650	8	2,623,000	36,500	0.570	0.007
10,001-100,000	123	8	3,203,900	168,200	0.696	0.036
100,001-22,999,999	22	4	71,865,985	1,282,200	15.623	0.278
23,000,000 and above	5	0	380,313,900	0	82.676	0.000
Total	1,460	39	458,502,556	1,497,444	99.672	0.323

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.	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.	Amanahraya Trustees (Tempatan) Sdn. Bhd. Public Islamic Select Treasures Fund	3,974,800	0.864
12.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	3,428,500	0.745
13.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3 – Didik	3,000,000	0.652
14.	Amanahraya Trustees Berhad Public Islamic Dividend Fund	2,896,500	0.629
15.	Wong Lok Jee @ Ong Lok Jee	2,883,000	0.626
16.	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	1,001,200	0.217



SHAREHOLDINGS STATISTICS

As at 28 February 2021

No.	Name of Holders	Shareholdings	%
17.	Neoh Choo Ee & Company Sdn. Bhd.	988,500	0.214
18.	Shoptra Jaya (M) Sdn. Bhd.	742,200	0.161
19.	Loh Kah Wai	702,000	0.152
20.	Maybank Nominees (Tempatan) Sdn. Bhd. Mtrustee Berhad for Tabung Baitulmal Sarawak (Majlis Islam Sarawak)(FM-ASSAR-TBS)	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 Etiga Family Takaful Berhad (Family PRF)	281,400	0.061
24.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Nik Abd Rahman Bin Nik Ismail(Bph 1)	224,100	0.048
25.	Seumas Tan Nyap Tek	219,300	0.047
26.	Maybank Nominees (Tempatan) Sdn. Bhd. Etiga Life Insurance Berhad (Life Par)	216,800	0.047
27.	Ahmat Bin Narawi	205,000	0.044
28.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt AN for UBS AG Singapore (Foreign)	156,000	0.033
29.	Public Invest Nominees (Asing) Sdn Bhd Pledged Securities Account For Muhamad Aloysius Heng (M)	124,200	0.027
30.	Yong Ai Ting	115,000	0.025

3. SUBSTANTIAL SHAREHOLDERS

No.	Name of Holders	Shareholdings	%
1	CIMB Group Nominees (Tempatan) Sdn Bhd Exempt An For Petroliaam 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 2021

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 (Decommissioned 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 (m²)
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 m²)
- 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 m² each
- Hazardous Godown	1	1,200 m²
- Open Yard	6 Block A/B (each bay length: 55.22 m) (each bay width: 15.86 m)	17,160 m²



SUMMARY OF EQUIPMENT & FACILITIES

As at 28 February 2021

Type Of Storage	Units	Area (m ²)
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	2	40.6 (Under Spreader),
(ii) Panamax	2	50 (Cargo Beam)
Rubber Tyred Gantry Crane		
(i) 4+1 high with 6+1 row	4	40.6 (Under Spreader)
(ii) 6+1 high with 6+1 row	10	
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 2021

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)	15	250-350 mt/hr (for Export pump)
Road Tanker Pump – 7		115mt/hr (for Road Tanker Pump)
Export Pump – 8		
Pumpsets (Pump House B)	12	250-350 mt/hr (for Export Pump)
Road Tanker Pump – 6		115mt/hr (for Road Tanker Pump)
Export Pump – 6		
Tonnes Toyota Forklift	1	2.5 tonnes
Tonnes RY Forklift	2	3.0 tonnes
Ingersoll-Rand Air Compressor	4	(427 CFM)
Comp-Air Air Compressor	2	(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 2021

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		
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	13	-
Bulking Pipelines	16	-

LIST OF PROPERTIES

As at 28 February 2021

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:			
<u>Built on Alienated Land</u>			
Single Storey Office Building	26	6,935	163
<u>Built on BICT Land</u>			
Receipt & Delivery Building	23	12,110	198
Gate House	23	5,015	65
Crane Service Station	23	9,300	83
Crane Service Workshop (Extension)	13	3,488	133
Custom Examination Shed	4	2,583	40
Canteen Building	23	11,959	7
Marine Operation Building	23	16,534	783
Marine Maintenance Building	23	9,300	337
Wisma Kontena Building	23	69,727	126
Access Road (including 2 bridges)	21	-	1,100
Container Stacking Yard	23	1,937,229	1,019
Empty Container Stacking Yard	23	282,143	6,058
New Storage Yard	12	-	586
Container Stacking Yard (BICT Extension)	25	618,279	71
Upgrading Work to Open Storage Yard at BICT	11	1,216,935	9,681
Main Intake Substation	10	2,174	859
Quay Crane Substation	25	1,485	111
CFS Substation Marine	23	904	64
Marine Operation Substation	23	1,098	35
Wharves 4 & 5	23	168,053	11
Small Craft Harbour	23	-	5,363
Coastal Terminal / Gravel Jetty	23	9,085	823
Bulk Fertiliser Warehouse	23	21,700	71
Container Freight Station	16	65,390	1,570
CFS Pit Type Weighbridge	10	-	1,153
Mooring Service Building	10	-	6



LIST OF PROPERTIES

As at 28 February 2021

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	7	-	186
Schedule Waste Storage	7	-	30
Empty Container Stacking Yard (extension)	7	-	29
Asphaltic Concrete Pavement near Coastal Terminal	7	-	934
Built on Multi Purpose Terminal Land (950 Meter Wharf)			
MPT Open Storage Yard	11	859,815	3,938
500m Ex-BPP Wharf at MPT	11	46,177	3,602
Transit Shed 1	11	95,723	2,315
Transit Shed 3	10	95,723	1,613
Plant Maintenance Workshop	10	23,182	916
Hazardous Goods Godown	10	17,823	922
Operator's Resthouse	10	2,809	145
M&E Plant Room	10	3,263	380
MPT Operational Gate	10	1,791	242
MPT Weighbridge	10	32,258	60
New Stone Base (Gravel) Area	9	22,604	35
Workers Resting Area at MPT	9	2,190	19
Temporary Bunkering Facility at MPT10	6	5,301	96
Built on 2nd Inner Harbour Land			
Edible Oil Terminal	15	44,215	7,724
Bulking Building : Built on 2nd Inner Harbour Land			
Buildings			
Administrative Building	16	6,272	437
M&E Block A Building	16	3,833	188
M&E Block B Building	16	3,005	165
Pump House A	16	14,592	372
Pump House B	10	13,612	1,324
Operator Rest House	8	784	135
One Stop Sampling Store	7	-	66
Samalaju Industrial Port Building and Structures			
Interim Port Facility			
Access Road	7	437,875.88	10,936
Breakwater & Revetment	7	552m (length)	30,745
Wharf	7	146,819.74	59,450
Fender system	7	74 (nos)	
Navigation Lighting System	7	-	
Check Point Building	7	513.44	1,700
Weigh Bridges	7	-	1,311

LIST OF PROPERTIES

As at 28 February 2021

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	7	7,407.17	736
Office Block B	7	7,407.17	676
Worker Rest Shed	7	4,347.01	434
Canteen	7	4,639.19	442
Maintenance Shed	7	8,815.64	797
Guard House	7	383.63	76
Miscellaneous Building	7	-	1,765
Administration Building and Control Tower			
Administration Building and Control Tower	4	20,700	19,888
Central Utilities Building Admin	4	3198	759,910
Guard House	4	135	56,050
Access Road	4	-	4,660
On-Shore Facilities			
Warehouse Type 1 (Enclosed)	4	38,750	6,779
Warehouse Type 2 (Open)	4	31,000	4,823
Central Utilities Building 1	4	2,906	502
Central Utilities Building 2	4	2,906	969
Central Utilities Building 3	4	2,906	
Central Utilities Building 4	4	3,982	796
Access Roads and Platforming (Stockpile)	4	3,181,811	74,315
Electrical Works			3,655
Weigh Bridge (2 no.)			195
Security Fencing			2,293
Wharves Facilities			
Handymax Wharf No.1 (including 2 nos. of Link bridges)	4	136,739	155,771
Handymax Wharf No.2	4	96,972	
Handymax Wharf No.3	4	91,660	
Handymax Wharf No.4	4	84,154	41,606
Handysize Wharf (including 2 nos. Of Link Bridges)	4	128,042	64,291
Tug Boat Jetty	4	3,789	3,929
Berth Amenity Shed	4	2,309	483
CUB Crane	4	4,361	755
2 nos. Beacon Light Tower	4	264	3,054
Breakwater			
Southern Breakwater	4	1.6 km (length)	157,885
Northern Breakwater	4	1.9 km (length)	152,335



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 25th Annual General Meeting (AGM) of Bintulu Port Holdings Berhad (“the Company”) will be conducted entirely through live streaming from the Broadcast Venue at 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 Wednesday, 28 April 2021 at 5.00 p.m. for the following purposes:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31 December 2020 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 2021 to the next AGM of the Company in 2022 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 RM746,000.00 for the period from April 2021 to the next AGM of the Company in 2022 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

(Resolution 2)

(Please refer to Explanatory Note C)

6. 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 Mohamed Khalid bin Yusuf @ Yusup**

(Resolution 3)

- ii. **Datuk Yasmin binti Mahmood**

(Resolution 4)

- iii. **Dzafri Sham bin Ahmad**

(Resolution 5)

(Please refer to Explanatory Note D)

7. To re-appoint Messrs. Ernst & Young PLT, the retiring Auditors, as the Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration.

(Resolution 6)

(Please refer to Explanatory Note E)

8. 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 25th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. (Bursa 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 19 April 2021. Only a depositor whose name appears on the ROD as at 19 April 2021 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

NOTICE OF ANNUAL GENERAL MEETING

By Order of the Board,

ROS LI BIN IDRIS

(MIA15730) (SSM Practising Certificate No.: 201908003924)

SHARIFAH RAFIDAH BINTI WAN MANSOR

(LS0009456) (SSM Practising Certificate No.: 201908003039)

Company Secretaries
Bintulu, Sarawak
7 April 2021

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**IMPORTANT NOTICE**

1. 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 25th Annual General Meeting ("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 TIH 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 Sdn. Bhd. to make available to the Company, the Record of Depositors as at **19 April 2021**. 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 Annual General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the Annual General Meeting.
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 Central Depositories Act, 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 Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A (1) of the Central Depositories Act.
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 TIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for the AGM.



NOTICE OF ANNUAL GENERAL MEETING

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 TIH 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 TIH 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 on **Monday, 26 April 2021 at 5.00 p.m.**
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.

NOTICE OF ANNUAL GENERAL MEETING

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 24th AGM of the Company held on 29 June 2020, approval was given by the Shareholders for the payment of Directors’ fees and benefits payable starting from 1 July 2020 until the next AGM of the Company in 2021.
20. **Resolution 1:** To approve the payment of Directors’ fees of up to RM1,877,200.00 for the period from April 2021 to the next AGM of the Company in 2022 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)
BPHB	Chairman	12,000.00
	Non-Executive Directors (Members)	8,500.00
BPSB / BBSB / SIPSB (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 **RM746,000.00** for the period from April 2021 to the next AGM of the Company in 2022 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

The estimated amount of up to RM746,000.00 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)	(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
Bintulu Port Sdn. Bhd. Board	2,000.00	1,500.00
Biport Bulkiers 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	



NOTICE OF ANNUAL GENERAL MEETING

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 Annual General Meeting, 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 Directors are standing for re-election at the 25th AGM:-
- | | |
|---|----------------|
| i. Dato' Sri Mohamed Khalid bin Yusuf @ Yusup | (Resolution 3) |
| ii. Datuk Yasmin binti Mahmood | (Resolution 4) |
| iii. Dzafri Sham bin Ahmad | (Resolution 5) |
24. The profiles of the Directors standing for re-elections are provided on pages 63 and 64 of the Board of Directors' Profile in the 2020 Integrated Annual Report.

Explanatory Note E for Resolution 6

25. 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 2022. 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.
26. The Audit and Risk 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

ROS LI BIN IDRIS (MIA 15730)

Tel: +60 86 291257

Fax: +60 86 254062

Email: rosli@bintuluport.com.my

AUDITOR

ERNST & YOUNG PLT
Chartered Accountants

Level 23A, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur, Malaysia

Tel: +603 7495 8000

Fax: +603 2095 5332

REGISTRAR

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

59200 Kuala Lumpur, Malaysia

Email: is.enquiry@my.tricorglobal.com

PRINCIPAL BANKER

CIMB BANK BERHAD

STOCK EXCHANGE LISTING

MAIN MARKET

Bursa Malaysia Securities Berhad

(Listed since 16 April 2001)

REGISTERED OFFICE

Lot 15, Block 20, Kemena Land District

12th Mile, Tanjung Kidurong Road

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

[Company No. 199201022892 (254396-V)]

BIPORT BULKERS SDN BHD

[Company No. 200301032726 (635147-V)]

SAMALAJU INDUSTRIAL PORT SDN BHD

[Company No. 199601033993 (406345-H)]



GLOSSARY

3Ps	Profits, People, Planet
BBSB	Bintulu Bulkiers Sdn Bhd
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
CMCO	Conditional Movement Control Order
COMMIT	Cost Management Initiative
CSI	External Customer Satisfaction Index
CUP PIG	Pipeline Intervention Gadget
DOE	Department of Environment
DWT	Deadweight Tonnage
ESS	Employee Satisfaction Survey
FLR	Forest Landscape Restoration
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
MARSEC	Marine Security
MCCG 2017	Malaysian Code on Corporate Governance 2017
MCO	Movement Control Order

MFRS	Malaysian Financial Reporting Standards
MMLR	Main Market Listing Requirements
OEPD	Operational Excellence Performance Delivery
PENJANA	Short-term Economic Recovery Plan
PPE	Personal Protective Equipment
Project Diamond	A programme to remove bottleneck issues through improvements in three key result areas, namely Vessel Operations & Productivity, Yard & Gate Operations and Berth Window Management.
Project Grab and Go (SIPSB)	Ongoing effort to optimise the capabilities of level luffing crane and conveyor facility operation at Samalaju Industrial Port.
Project Pyramid	Reviewing the Limit of Authority of subsidiaries
Project Vroom	An initiative to give priority to vessels that request for more than five pipelines in order to improve turnaround time.
QR code	Quick Response code
RMCO	Recovery Movement Control Order
SCORE	Sarawak Corridor of Renewable Energy
SDGP	Smart Digital Green Port
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
ZEFA	Zero Fatality and Accidents



BINTULU PORT HOLDINGS BERHAD [Company No. 199601008454 (380802-T)]

Lot 15, Block 20, Kemena Land District,
12th Mile Tanjung Kidurong Road,
P.O Box 996, 97008 Bintulu,
Sarawak, Malaysia

Tel : +6086 291001
Fax : +6086 253597
Email : customerservice@bintuluport.com.my
Web : www.bintuluport.com.my