



CONNECTING PASSION DELIVERING VALUE

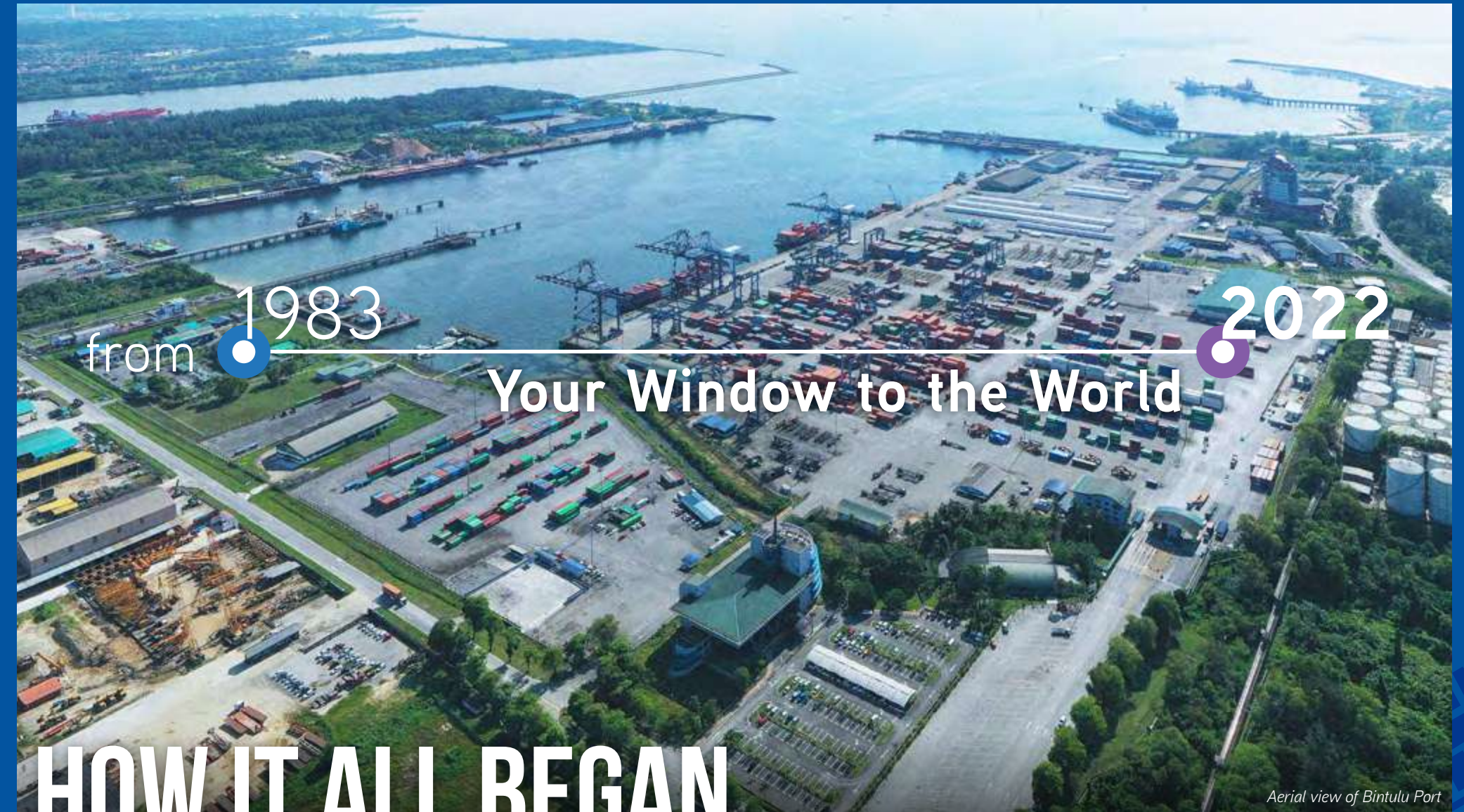
INTEGRATED ANNUAL REPORT 2022

Dear Shareholders,

The burst of colours represents our passion and excitement for our commitment. A vibrant silhouette of Bintulu Port and Samalaju Port symbolises our core business, our values and our beliefs from our humble beginning 40 years ago and our desire to grow progressively. Our shared success has been carved by the people who are selfless in dedicating themselves to the true meaning of Connecting Passion and Delivering Value, responsibly and sustainably, beyond the expectations of our stakeholders.



All photos are owned by Bintulu Port Group.



Bintulu Port has experienced steady growth since our inception in 1983. Over the next two decades, we forged connections with ports from all over the world and advanced our growth through the establishment of complementary businesses that added more value to our operations. This culminated with the listing of BPHB on the Kuala Lumpur Stock Exchange in 2001.

In the years that followed, we established bunkering services, a dedicated Palm Oil Bulking Terminal and container handling services and expanded our footprint internationally. Today, through our three main subsidiaries, Bintulu Port Sdn. Bhd., Samalaju Industrial Port Sdn. Bhd. and Biport Bulk Sdn. Bhd., we are the largest LNG Export Terminal in East Asia, the main export terminal for palm oil and the biggest container port in East Malaysia.

KEY FACTS

Largest

LNG Export Terminal in East Asia

34 MILLION TONNES
capacity per annum



Main Export Outlet

of Palm Oil Products in Sarawak and Malaysia



Biggest

Container Terminal in East Malaysia

500,000 TEUs
capacity per annum



Ranked Third among Malaysia Ports

in 2022 with total Cargo Throughput of

50.73 MILLION TONNES

OPERATING REVENUE
RM791.26
MILLION

LAND AREA
713
HECTARES

MARKET CAPITALISATION*
RM2.39
BILLION

* As at 28 February 2023

PROFIT AFTER TAX
RM127.72
MILLION


TOTAL BERTHING LENGTH
3.8
KILOMETRES

BERTHING CAPACITY
93 MILLION
TONNES

BASIS OF THIS REPORT

NAVIGATION ICONS







The following icons are used in this Report to indicate where additional information can be found.

 This icon tells you where you can find related information in our Report.

 Link to website at www.bintuluport.com.my

OUR SIX CAPITALS

The following icons indicate the various Capitals in our business operations. For easy reference, these navigation icons appear in the relevant sections in this report that discuss the Capitals.

-  Financial Capital
-  Manufactured Capital
-  Intellectual Capital
-  Human Capital
-  Social and Relationship Capital
-  Natural Capital

BINTULU PORT HOLDINGS BERHAD IS PLEASED TO CONTINUE ITS INTEGRATED REPORTING JOURNEY WITH THE PUBLISHING OF OUR FOURTH INTEGRATED ANNUAL REPORT, DETAILING OUR VALUE CREATION JOURNEY DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2022.

REPORTING PRINCIPLES AND FRAMEWORK

The Group is committed to communicate the effectiveness of our strategy in advancing the business amid industry challenges and risks so our stakeholders can assess our work in a well-informed manner. This Report covers both financial and non-financial aspects of our business operations from a transparent and balanced point of view.


This Report complies with the International Integrated Reporting Council (IIRC) Framework and is guided by the Malaysian Code on Corporate Governance 2021 (MCCG 2021), the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the Companies Act 2016, the International Financial Reporting Standards and the Malaysian Financial Reporting Standards.

SCOPE AND BOUNDARIES

The Report outlines our financial and non-financial performance for the period from 1 January 2022 to 31 December 2022. In determining reporting boundaries, all business operations under the Group are taken into account, including fully controlled operations and subsidiaries. The reporting scope examined our internal and external environment, sustainability initiatives and operational enhancements. We also assessed the current business landscape, opportunities and threats that may impact the Group's capacity to create value.

BINTULU PORT'S SIX CAPITALS

In line with the IIRC Framework requirements, we have mapped out our six capitals of value creation and created a reader-friendly format through navigational icons which can be seen throughout the Report.

 Find out more about our six capitals on pages 30 to 31.




FORWARD-LOOKING STATEMENTS

In this Report, forward-looking statements may be indicated via the usage of words or phrases such as "might", "forecast", "anticipate", "project", "may", "believe", "predict", "expect", "continue", "will", "estimate", "target" and other closely related terms. We may also include forecast information including port traffic improvements or certain execution plans and approaches that are related to our business. These statements are not absolute and decisive for future operating, financial or other performance results due to unpredictable shifts of the industry. It is essential to understand that our forward-looking statements do not secure achievements for the business.

OUR THREE STRATEGIC THRUSTS

The Group's three main strategic thrusts are represented by these icons and for easy reference, we designated navigational icons to sections of the Report that explores the strategies.

STRATEGIC THRUSTS

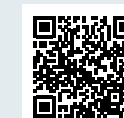
-  Institute Operational Excellence
-  Expand Port Capacities and Capitalising on Key Growth Market Sector and Profitability
-  Embark into Smart and Green Port

WE VALUE FEEDBACK

We appreciate your feedback, comments and enquiries on this report. Reach out and engage with us via our Investor Relations team at irene@bintuluport.com.my.

SEND US YOUR FEEDBACK

To ensure that we report on issues that are important to our stakeholders, please send us any comments or questions by scanning the provided QR code.



REPORT APPROVAL

The Board of Bintulu Port Holdings Berhad is aware of the organisation's obligation to maintain the integrity of our Integrated Annual Report. The Due Diligence Committee which has oversight of the Integrated Annual Report has recommended to the Board of Directors to approve the Report. Following a collective assessment, the Board believes that the Integrated Annual Report presents a fair and accurate picture of the Company's overall performance in the context of its key material elements.

BINTULU PORT SDN. BHD. (BPSB)

BPSB is the largest Liquefied Natural Gas (LNG) Export Terminal in East Asia and operates Southeast Asia's busiest multipurpose port, connecting over 40 million tonnes of cargo per annum to major international ports.

Containers being handled at Bintulu International Container Terminal (BICT)



SAMALAJU INDUSTRIAL PORT SDN. BHD. (SIPSB)

SIPSB is a purpose-built port which greatly benefits the logistical requirements of industries in the Sarawak Corridor of Renewable Energy (SCORE) development by offering dry bulk, break bulk and container services primarily to energy intensive businesses located adjacent to the port.

Aerial view of operations at SIPSB

BIPORT BULKERS SDN. BHD. (BBSB)

Entrusted to manage 24% of total Malaysian palm oil exports, BBSB is the largest palm oil product exporting terminal in the country which provides bulking installation facilities for crude, refined palm oil and their by-products.



Aerial view of Edible Oil Terminal at BBSB



A glimpse of the 10th year anniversary Gala Dinner of SIPSB, officiated by The Right Honorable Premier of Sarawak



LNG vessel in operation



Our collective initiatives to preserve Mother Earth for a sustainable future



Our Container Terminal as seen from our marine Base, the Quay Crane and our staff while handling the equipment





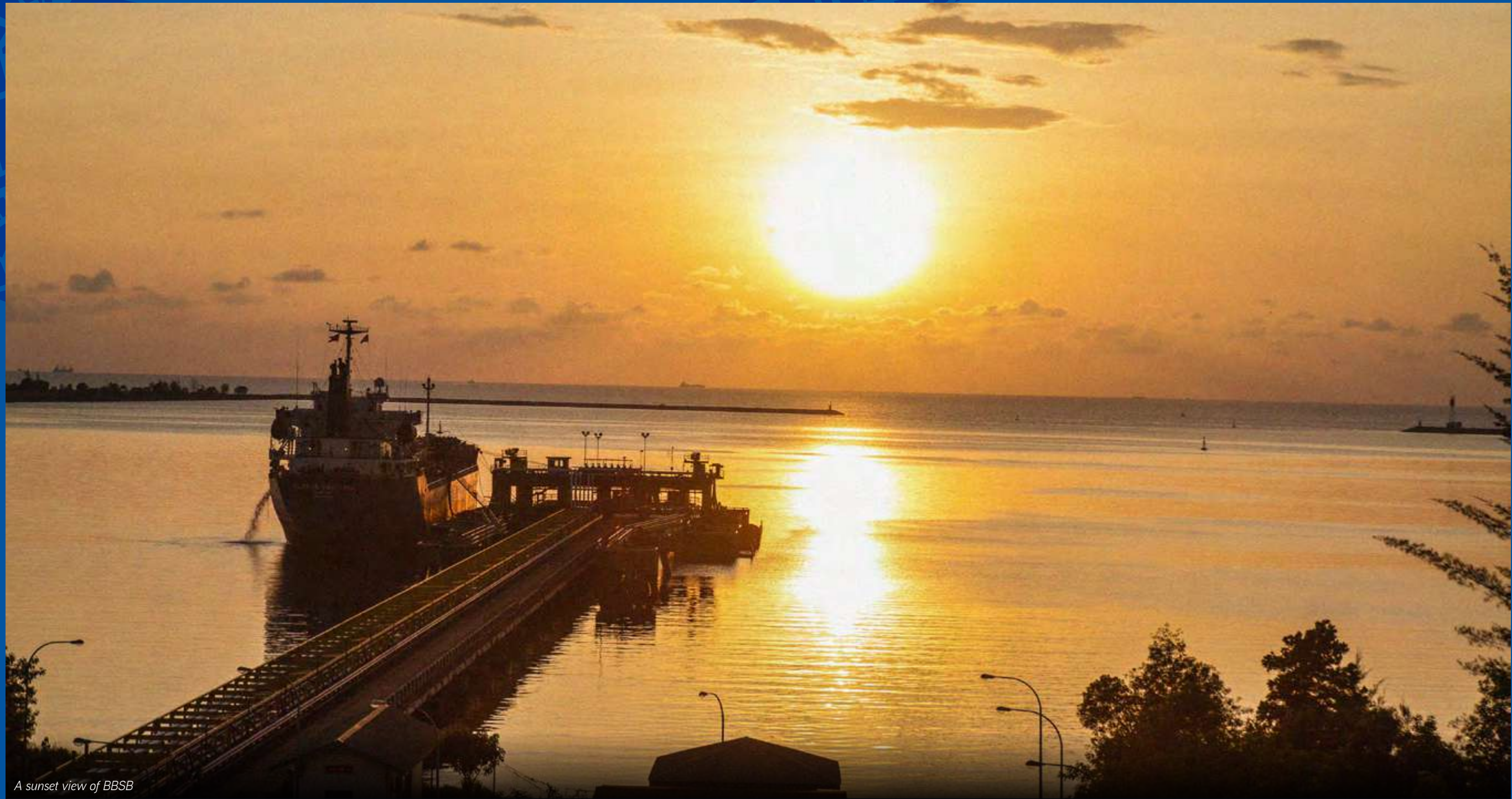
Aerial view of operations in SIPSB



The view overlooking our Multipurpose Terminal as well as the Single Bouy Mooring (SBM)



Our pledge for safety demonstrated during a drill by our Marine Operation



A sunset view of BSB



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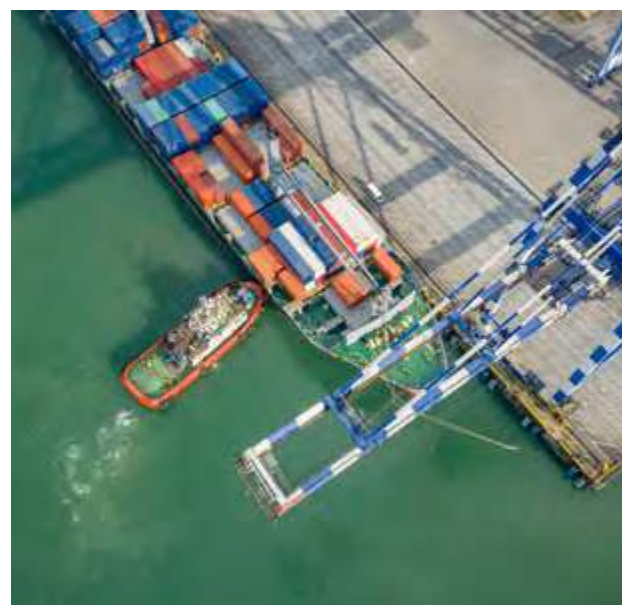
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Bintulu Port Holdings Berhad is an investment holding company with Bintulu Port Sdn. Bhd. (BPSB), Samalaju Industrial Port Sdn. Bhd. (SIPSB) and Biport Bulkiers Sdn. Bhd. (BBSB) as its subsidiaries. BPSB and SIPSB are providers of port services such as marine services (towage, pilotage, mooring), cargo handling and storage, stevedoring, supply base service and bunkering. BBSB's expertise lies in bulking installation services.

OUR VISION

A World-Class Port Operator

OUR MISSION

Delivering Operational Excellence and Ensuring Our Long-Term Sustainability Based on the 3Ps (People, Planet, Profits)



Scan the QR code for the details of our businesses.

OUR CORE VALUES (TIIP)

TEAMWORK

Valuing the team effort and the importance of working together as one Group to achieve our Vision.

INTEGRITY

Living up and conducting business to the highest ethical standards and governance.

INNOVATION

Delivering effective solutions to each customer's needs and continuously adopting new technology to maintain our competitiveness.

PROFESSIONALISM

Providing quality services in a highly professional manner with sincerity, bold as in having the confidence to go beyond the conventional, taking ownership and responsibility and proactively taking the initiative to act in advance of future needs or changes.



UNDERSTANDING BINTULU PORT

OUR BUSINESSES

CORPORATE MILESTONES

DEC 2022 The Group's total cargo throughput surpassed 50 million tonnes mark for the 1 st time	OCT 2022 BBSB exceeded 50 million tonnes for overall lifetime inward throughput	AUG 2022 10 th Year Anniversary of SIPSB	JUL 2022 Maiden Voyage of vessel Tiger Bintulu at BICT carrying in total 400 units of LNG ISO tanks	FEB 2022 Commencement of additional 4 new export lines at BBSB	DEC 2021 Commencement of Container Handling Service at Samalaju Industrial Port	OCT 2021 BBSB registered with Bursa Malaysia Derivatives as a Port Tank Installation (PTI) service provider under the East Malaysia Crude Palm Oil Futures Contract (FEPO)	MAR 2021 1 st LNG ISO Tank export operations at Bintulu Port	NOV 2020 <ul style="list-style-type: none"> Largest LNG vessel berthed - Vasant 1 Commencement of Base Support Contract with Mubadala Petroleum 	JAN 2020 <ul style="list-style-type: none"> Commencement of BPSB's Marine Services in Brunei, the Goup's 1st International business foray Achieved and surpassed 1 billion tonnes of cargo throughput (accumulative total since 1983) 	AUG 2019 Signed with GIGA Shipping Sdn Bhd as port of call for RORO vehicles towards achieving aspiration to become main hub for RORO operation in Sarawak region	JUN 2019 Introduction of new bunkering service - Ship-to-Ship bunkering services	FEB 2018 Official launch of the Group's new Vision and Mission Statement to become A WORLD-CLASS PORT OPERATOR
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BPSB operates Southeast Asia's busiest multipurpose port and is recognised as the largest Liquefied Natural Gas (LNG) Export Terminal in East Asia. As East Malaysia's largest container port, managing up to 450,000 TEUs annually, we play a crucial role in the global supply chain in connecting over 40 million tonnes of cargo per annum to other major international ports all over the world.



BINTULU PORT SDN. BHD. (BPSB)

Find out more about us on pages 32 to 33.

SIPSB is a purpose-built port that offers dry bulk, break bulk and container services primarily to energy intensive businesses found within Samalaju Industrial Park (SIP) and its surroundings. We play an instrumental role in supporting the logistical requirements of industries in the Sarawak Corridor of Renewable Energy (SCORE) development and continue to attract more investors every year to operate at SIP.



SAMALAJU INDUSTRIAL PORT SDN. BHD. (SIPSB)

Find out more about us on pages 34 to 35.

BBSB is the largest palm oil product exporting terminal in Malaysia which provides bulking installation facilities for crude palm oil, refined palm oil and their by-products. We are entrusted to manage 24% of Malaysia's palm oil exports with our state-of-the-art facilities, supported by five refineries within the vicinity of our terminal.



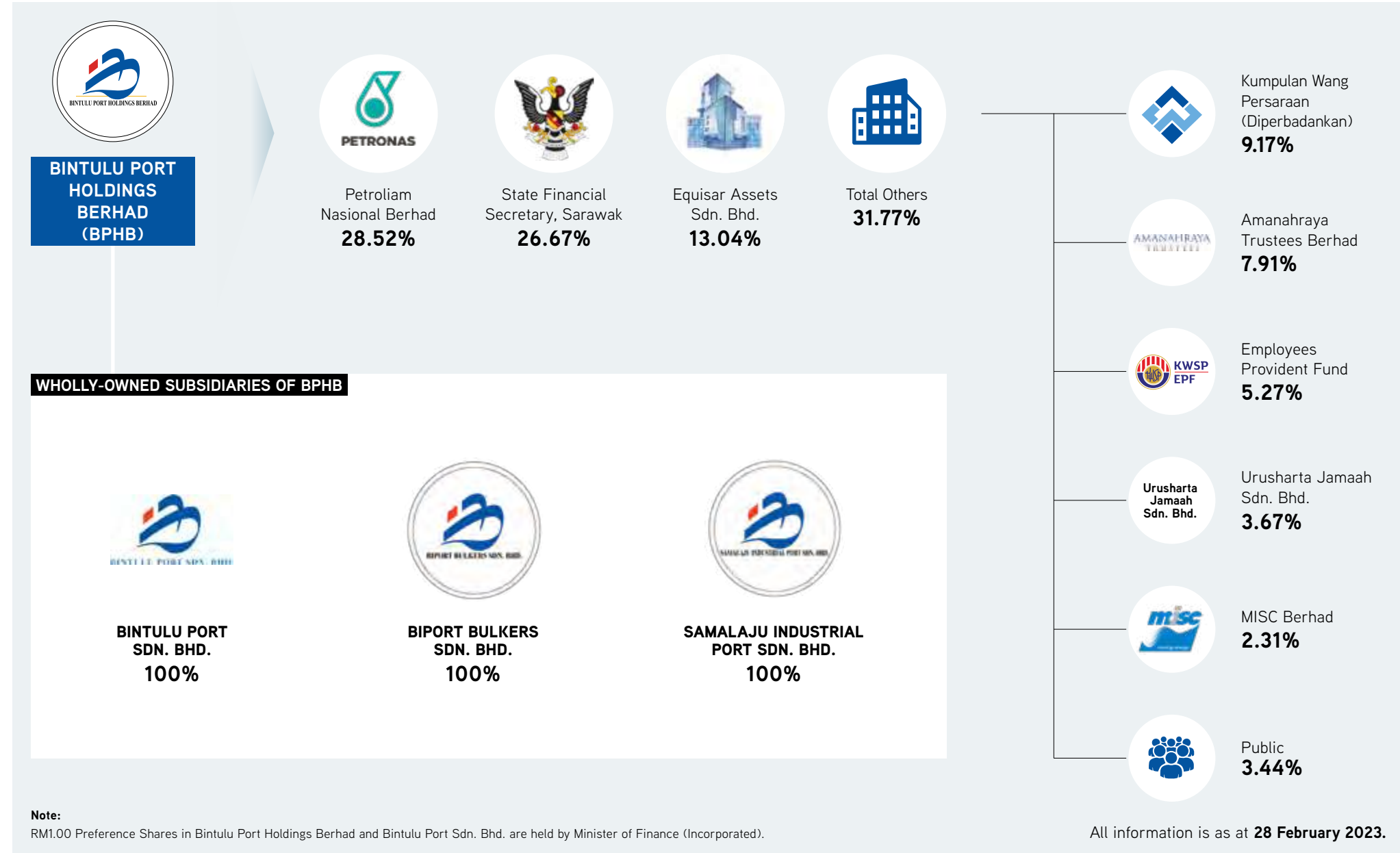
BIPORT BULKERS SDN. BHD. (BBSB)

Find out more about us on pages 36 to 37.

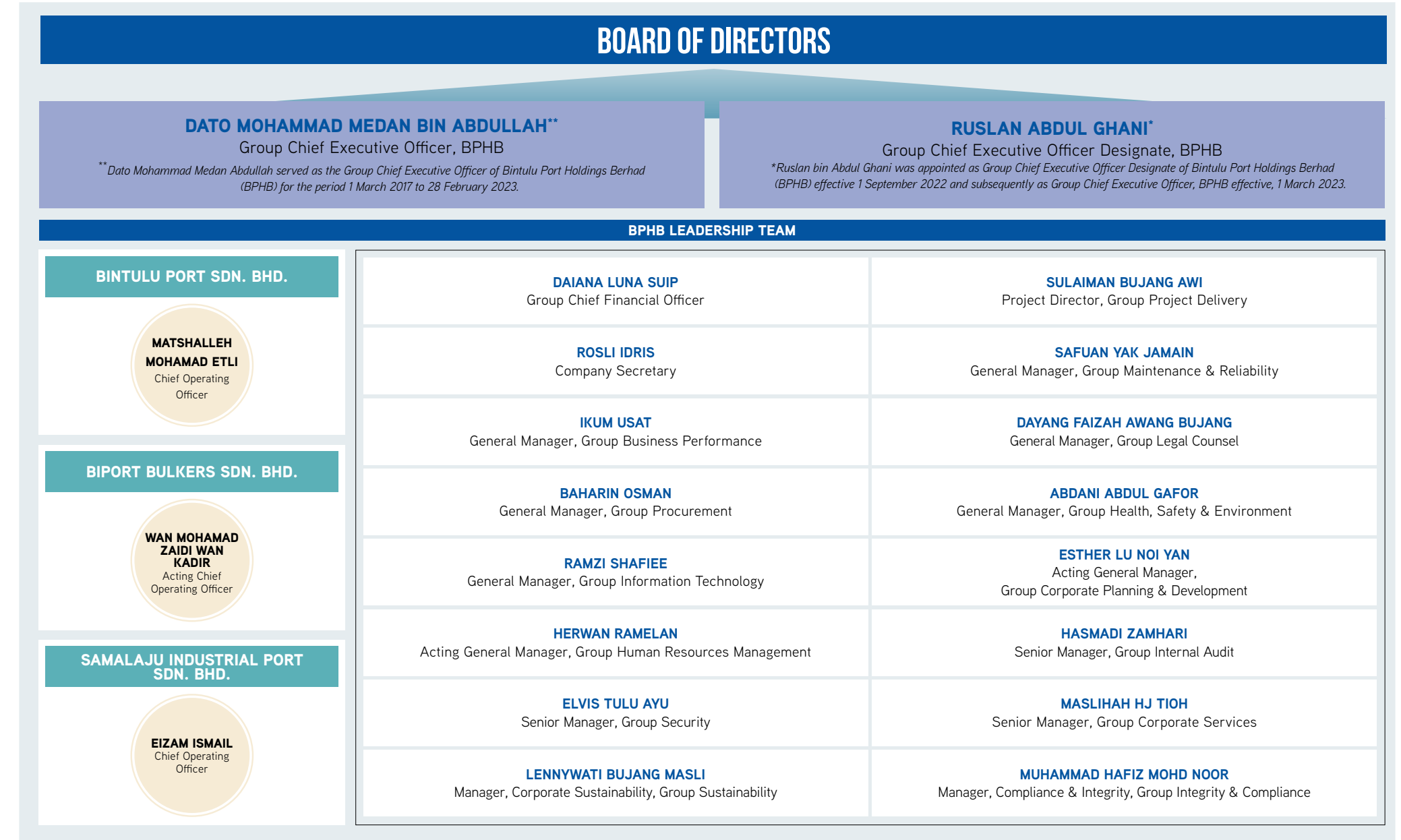
OUR BUSINESSES

SEP 2014 Obtained approval in principle for BPSB's extension of concession period	JUN 2017 SIPSB successfully commenced Phase 1 operation
JAN 2005 First shipment of palm oil through the new dedicated Palm Oil Bulking Terminal	AUG 2012 Incorporation of Samalaju Industrial Port Sdn. Bhd. (SIPSB)
APR 2001 Listing of BPHB shares on KLSE	NOV 2003 Incorporation of Biport Bulk Sdn. Bhd. (BBSB)
MAR 1996 Incorporation of Bintulu Port Holdings Berhad (BPHB)	JUN 1999 Commencement of Bintulu International Container Terminal (BICT)
JAN 1983 <ul style="list-style-type: none"> Commencement of Bintulu Port First LNG shipment to Japan 	JAN 1993 Bintulu Port Sdn. Bhd. (BPSB) took over the operations

CORPORATE STRUCTURE



ORGANISATIONAL STRUCTURE



CHAIRMAN'S STATEMENT

OUR STRONG FINANCIAL FUNDAMENTALS AND OPERATIONAL RESILIENCE AS A PORT AND MARINE SERVICES PROVIDER HAVE ENABLED US TO ENDURE THE WORST IMPACTS OF THE PANDEMIC, LEAVING US IN A STRONG POSITION TO CAPITALISE ON EMERGING OPPORTUNITIES AND CHART A COURSE FOR ROBUST GROWTH AS GLOBAL ECONOMIES REBOUND.

Dear Valued Shareholders,



On behalf of the Board of Directors, it is my great honour to present Bintulu Port Holdings Berhad's (the Group) Integrated Annual Report 2022. While we continued to face lingering challenges over the past 12 months, we successfully leaned on our well-established business strategies to drive operational excellence, enhance our sustainability framework and capture exciting prospects for expansion and growth.



DATO' ABDUL MUTALIB BIN ALIAS
Chairman



Aerial view of BPSB

OBSTACLES ENDURED AS GLOBAL MARKETS RECOVER

Global economies gradually began to recover as we moved into the endemic phase of the pandemic, with the majority of industries being reopened in early 2022 and the world collectively adapting to the new normal. While the International Monetary Fund estimated that the worldwide economy expanded by 3.4% during the year, the unevenness of the recovery across developed and emerging economies meant that several challenges within the operating landscape remained.

China's strong stance against COVID-19 and its strict lockdowns weakened Asia's largest economy, which continued to impact global and regional supply chains. At the same time, the Russia-Ukraine conflict shocked the world, leading to increased volatility in energy markets and worsening global inflation, especially in Europe and the United States.

The shipping industry also faced similar challenges as the year before with port congestion, a tight labour market and high shipping and container prices continuing to plague the industry during the year.

FOCUSING ON PURPOSE AND GROWTH AMID CHALLENGES

Against this challenging and uncertain backdrop, BPHB held true to our core purpose and continued to provide high quality port and marine services for the many key shipping lines and industries in the region that count on our reliability. Thanks to our robust Business Response Plan, which included the Canton concept, accelerated employee vaccination and various other COVID-19 SOPs and initiatives, we are proud to have delivered uninterrupted services with zero shutdowns since the pandemic began in early 2020.

Despite intermittent outbreaks of new virus strains that caused some uncertainties, strong demand boosted manufacturing activities during the year, which reached pre-pandemic levels thanks to higher input prices and has continued to grow robustly supported by Sarawak's Post Covid-19 Development Strategy 2030. Our operations benefitted from the improved market sentiment, as customers at Samalaju Industrial Park ramped up production and various new projects were commenced and secured with other clients.

These include kicking off our Sarawak Petchem Marine Services project with successful special handling of cargo shipments undertaken in April and May, our first installation for the FEPO Port Tank Installation (PTI) contract completed in June, and a new contract for the provision of BPSB pilots being secured with Darussalam Pilotage Services in September, among others.

We also saw a strong comeback for the palm oil industry following its downturn last year, with competitive prices and a disruption to the sunflower oil supply chain leading to higher demand and increased shipments through our ports during the year.

ENHANCING OUR VALUE CREATION

As we navigated ongoing market uncertainties, the Group also continued to make progress in the three strategic thrusts that have been the pillars of our business operations since 2018, namely, 'Institute Operational Excellence', 'Expand Port Capacities & Capitalise on Key Growth Market Sector & Profitability' and 'Embark Into Smart and Green Port'.

A key highlight during the year was the maiden voyage and vessel naming ceremony of Tiger Bintulu, the world's first and largest dual-fuelled LNG ISO tank carrier in the world. The 192-metre vessel's maiden voyage from Bintulu Port and subsequent return calls for LNG ISO tank operations will help secure BPSB's position as the first port in Malaysia to export LNG ISO tanks on a large scale and spur long-term growth in our throughput volume.

As part of our efforts to consistently expand our facilities, BBSB commenced operations of four new export pipelines in February 2022 at our Palm Oil Northern 1 (PON 1) and Palm Oil Southern (POS) berthing docks, enabling us to handle shipment operations from 17 lines simultaneously compared to the previous 13 lines. Later in July, BPSB also obtained approval to expand our existing de-bonded area, attracting more PACs for the oil and gas activities to Bintulu Port.

We are also moving closer to realising the BioHub Project which is now in its feasibility study phase as we seek to establish an industrial port complex with multiple stakeholders that leverages circular industries and clean energy like hydrogen to boost economic growth.

In concession updates, BPSB has signed an Interim Agreement for Concession for an extension period of six months, with the tripartite agreement forged between BPSB, Bintulu Port Authority and Ministry of Transport on 24 November 2022.

Meanwhile, we are pleased to announce that BBSB achieved an important milestone during the year as it finally crossed the threshold of 50 million tonnes of overall inward throughput recorded since the commencement of its operations.

CHAIRMAN'S STATEMENT

BBSB achieved a historical milestone by exceeding 50 million tonnes of overall inward throughput since commencing operations.

With immense growth potential on the horizon, we have taken steps to align our strategic objectives across the Group through an organisational and operational excellence programme. Two events were held during the year for this purpose, including a weekend-long Management Team Strategic Workshop with the Senior Management of BPHB and all subsidiaries in late June, and a Gallery Walk Event with the BPHB Board of Directors in July 2022.

These two events have proved invaluable in aligning the key objectives and true north of our 'Organisational and Operational Excellence Programme to Increase Business Profits for BPHB' initiative that runs through to 2026 and beyond, and will greatly synergise the efforts of our management teams and Board of Directors as we move forward.

To achieve our ambitions, we will continue to leverage the Group's sound financial fundamentals and reputation for excellence that is flourishing across the industry. In line with this, we are pleased to report that RAM Ratings have once again reaffirmed the AA1(s)/Stable score for Samalaju Industrial Port Sdn Bhd's corporate credit rating following its 7th Rating Review undertaken in November. SIPSB's Occupational Safety and Health Management System was also audited in July 2022, with the company receiving a Gold Class One (1) entitlement for the third time since 2018.

Meanwhile, our concerted efforts to provide a clear and transparent reporting suite for stakeholders continues to be recognised, as we picked up our second consecutive Gold Award in the Australasian Reporting Awards (ARA) 2022 for our Integrated Annual Report 2020.

CHAIRMAN'S STATEMENT

ELEVATING SUSTAINABILITY AS A KEY PRIORITY

We recognise that a strong sustainability performance is fast becoming a prerequisite for global success, especially as regulators begin to prioritise ESG issues and investors show greater preference towards compliant and responsible corporations.

Following the materiality assessment exercise undertaken last year to map out the sustainability issues most pertinent to our long-term success, we have placed our focus on making progress in our strategies and reporting activities.

These include aligning our reporting style and disclosures with the requirements of the Integrated Reporting (IR) Framework and recognising our potential contributions to various UN Sustainable Development Goals (SDGs) as part of our strategy.

We are also taking concerted action to support efforts to alleviate climate change, including aligning our carbon footprint reduction strategy with the Paris Climate Agreement, taking into consideration the severe risks identified by the World Economic Forum and undertaking disclosures in alignment with Bursa Malaysia's Task Force on Climate-related Financial Disclosures (TCFD).

BOLSTERING OUR GOVERNANCE

As our business expands, it is crucial that we maintain strong internal processes, standards and procedures to lead our people and govern our operations in a responsible manner. To this end, we made substantial progress during the year in strengthening our approach and equipping ourselves with the latest knowledge and tools.

To enhance integrity from the topmost levels, we held two talks on Corporate Liability under section 17A of MACC Act 2009 for our Board of Directors and Management Teams in 2022, with the first session in February featuring the current Chief Commissioner of the Malaysian Anti-Corruption Commission Tan Sri Abu Kassim bin Mohamed.

As we also aspire for our principled approach to be adopted at all levels across the Group, we reiterated our expectations by distributing our Code of Business Ethics, Anti-Bribery and Corruption Policy, Framework and SOP Booklets to all BPHB Group employees in March. This initiative, which helped to increase awareness and promote a culture of compliance amongst employees, was followed up with a Corruption Risk Management (CRM) Workshop conducted for all BPHB employees in July.

Earlier in the year, we launched a three month anti-drugs campaign from January to March that underscored the Group's strong anti-drugs stance through a series of seminars, awareness drives, corporate activities and other initiatives. We remain committed to creating a safe and healthy working environment for our employees and believe it is important to engage the support of our people in acting against the use of drugs and illegal substances.

During the year, we also made progress on eight initiatives under our UTAP Transformation Programme to enhance our Governance, Risk and Compliance (GRC) culture. A total of 31 out of 46 initiatives under our UTAP roadmap have been completed, with the remaining 15 slated to be undertaken in 2023.

ACKNOWLEDGEMENTS

In closing, I would like to take this opportunity to thank my fellow Board members for their collective guidance and wisdom in steering the Group towards a successful year.

On behalf of the Board of Directors, I would also like to convey our heartfelt appreciation to all our customers, business partners, service providers, stakeholders, and state and federal governments for their continuous loyalty and support rendered to the Group. I would also like to thank each and every member of our workforce and management teams for their dedicated effort and continued perseverance amid the ongoing challenges we have faced.

On that note, we bid farewell to our outgoing Group Chief Executive Officer, Dato Mohammad Medan Bin Abdullah, who has served the Group tirelessly for six years. We wish him all the best in his future undertakings. We also extend a warm welcome to our new Group Chief Executive Officer, Encik Ruslan bin Abdul Ghani, and look forward to working with him closely to achieve the Group's vision and mission. In addition, we welcome Datuk Johan bin Mahmood, following his appointment to the Board of Directors on 1 June 2022.

DATO' ABDUL MUTALIB BIN ALIAS
Chairman



We launched a **3-month anti-drugs campaign** from January to March that underscored the Group's strong anti-drugs stance through a series of seminars, awareness drives, corporate activities and other initiatives.



We made substantial progress during the year in **strengthening our approach and equipping ourselves** with the latest knowledge and tools.



A total of 31 out of 46 initiatives under our UTAP roadmap have been completed

IN 2022, THE GROUP MADE MEANINGFUL PROGRESS ON ALL FRONTS, AS WE IMPROVED OUR FINANCIAL PERFORMANCE, BOLSTERED OUR CAPABILITIES, EXPANDED OUR CAPACITY AND ACHIEVED EXCELLENCE IN OUR SERVICE DELIVERY.

Dear Valued Shareholders,



As we turn the page to a new year, I am pleased to report that BPHB's recent strategies and our Business Response Plan have continued to hold the Group in good stead. We have once again demonstrated resilience by extending our record of maintaining uninterrupted delivery of service for three consecutive years since the start of the pandemic. At the same time, we made significant progress within the three thrusts that drive our success and have made inroads into new opportunities that will serve to boost our growth and expansion prospects for the near future.



DATO MOHAMMAD MEDAN BIN ABDULLAH
Group Chief Executive Officer



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

MAINTAINING SERVICE EXCELLENCE AND HARNESSING GROWTH OPPORTUNITIES

After three years of global uncertainty, the worst impacts of the pandemic finally began to subside in 2022. Although some challenges to the global supply chain lingered, the gradual transition into the post-pandemic era has allowed us to recalibrate and shift our focus towards strengthening our fundamentals and optimising our business to harness future growth opportunities.

Having delivered uninterrupted service for the last three years, even during the worst points of the pandemic, we have cemented our status as truly modern, efficient and reliable import and export gateway for Sarawak and Malaysia, and established our position as the doorway to the global frontier through the intra-Asia network.

As we aimed to build on this reputation, we undertook various initiatives during FY2022 to further bolster our operational capabilities and capacities.

Reinforcing Our Capabilities

With our standing as the first ASEAN port operator to bulk export LNG in ISO tanks, we have once again racked up another LNG industry first. In a joint venture with Tiger Gas, BPSB has commissioned the first

dual-fuelled LNG ISO tank carrier in the world. The MV Tiger Bintulu commenced its maiden voyage from Bintulu Port in July with 400 units of LNG ISO Tanks.

Early in the year, BBSB commenced the operation of additional four new export lines, which increased its handling capacity from 13 to 17 lines at a time. Partly thanks to this capacity expansion, BBSB finally passed the 50 million tonnes milestone for overall lifetime inward throughput in October 2022.

BBSB also made progress in the East Malaysia Crude Palm Oil Futures (FEPO) contract as the team successfully completed its first Port Tank Installation's physical delivery of 10 contracts, representing 250 metric tonnes of crude palm oil (CPO).

Meanwhile, we have made significant progress in our efforts to grow the containerised cargo business at Samalaju Port. In our first full year of offering container handling services, we have handled almost 8,000 TEUs of containerised cargo – a feat that was supported by our continuous engagement with Samalaju Port customers throughout the year.

During the year, we also turned our focus towards strengthening the long-term sustainability of our business by enriching our leadership and driving positive transformation.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

A key undertaking was the 'Organisational and Operational Excellence Programme to Increase Business Profits for BPHB' initiative, a programme that aimed to align the efforts of our management teams and Board of Directors with a collective vision or a 'True North'.

Developing Our Growth Prospects

As we strengthened our competencies during the year, we also made sure to hold on to our existing market segments and shares while seizing opportunities for diversification and growth amid a recovering regional and global economy.

All of our agreements with major oil and gas players were successfully extended, along with our contracts for gassing up and cooling down (GUCD) and bunkering services, as well as our sublease agreements. BPSB was also awarded a new contract by Darussalam Pilotage Services for the provision of pilotage services, with the one-year contract being signed in September.

On this note, we are pleased to report that in July 2022, we officially received approval to expand our existing de-bonded area and create additional capacity for additional Petroleum Arrangement Contractors (PACs) in future.

While BPSB is still in an ongoing discussion on the extension of our long-term concession agreement, we have continued to make progress and signed an interim agreement with Bintulu Port Authority and Ministry of Transport for a period of six months on 24 November 2022.

ADAPTING TO POST-PANDEMIC CHALLENGES

The Business Response Plan that we instituted at the onset of the pandemic has proved invaluable in supporting the Group's resilient performance over the past three years, enabling us to navigate to our business with zero interruptions, despite the restrictions on our operations, disruptions within the supply chain and volatility in global demand.

As the worldwide economy continues to slowly recover, albeit unevenly across countries and industries, we foresee that it will take some time for some issues, such as the labour shortage within the palm oil industry, to revert to pre-pandemic levels.

Nevertheless, the transition to the post-pandemic era is well and truly here, and as an agile organisation, we are updating and modifying our response to reflect the evolving external environment and industry landscape.

An increasingly important new area of focus for us has been cybersecurity. With reliance on digital technologies and internet networks to store and share information greatly expanding since the pandemic, concern for threats such as data leakage, hacking and phishing are also on the rise.

To this end, we are pleased to have commenced Cyber Security Operation Centre (C-SOC) operations for BPHB and all subsidiaries on 1 July 2022. With 24/7 monitoring of the network, we are now equipped to detect and prevent cyber attacks, further bolstering the resilience of our operations.

Moving forward, we have highlighted numerous other trends and factors that have the capacity to impact the Group's performance and which will guide our current and future strategies.

As global trade continues to grow rapidly, especially driven by consumer and retail markets that demand speed and efficiency, we need to quickly adapt to ever-evolving digital technologies and find solutions to modernise our operating processes and enhance the use of automation across our facilities.

There is also significantly greater emphasis and concern being placed on matters such as safety and sustainability, and we must remain aware of the threats and opportunities in this collective global transition towards more sustainable and responsible economic, environmental and social practices.

A NEW ERA OF CHALLENGES

Cybersecurity

The need to bolster protection against digital vulnerabilities to safeguard customer data.

Modernisation

Increasing demand for modernisation of operating processes and facilities via automation.

Digitalisation

Greater need to adopt ever-evolving digital tools and technologies to stay relevant and connected.

Sustainability

Growing our sustainability commitments to meet evolving regulations and stakeholder expectations.

Efficiency

Increasing demand for faster speed from modern consumers as global trade grows.

Safety

Ensuring we are able to maintain the highest levels of safety and excellence, even as we evolve.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

ACHIEVEMENTS IN 2022

Here are some highlights of our key achievements and milestone during year 2022, which are divided according to our three (3) strategic thrusts.

Strategic Thrust 1 – INSTITUTE OPERATIONAL EXCELLENCE

COMMENCING OPERATION OF FOUR NEW ADDITIONAL EXPORT LINES

- BBSB commenced the operation of four new additional export lines on 7 February 2022, with the maiden operation being for shipments aboard the MT Global Saturn.
- The export lines were expanded within the Palm Oil Northern 1 (PON 1) and Palm Oil Southern (POS) berthing docks, and has increased BBSB's capabilities from handling 13 lines at one time to 17 lines at a time.



The additional export lines

SUCCESSFUL SPECIAL HANDLING OF PROJECT CARGO FOR SARAWAK PETCHEM PROJECT

- On 20 April 2022, BPSB completed its first successful special handling of Project Cargo for Sarawak Petchem. Sarawak Petchem, being the latest and new customer for BPSB, will be commissioning the methanol plant, which is presently being constructed and expected to be operational in the first quarter of 2024. BPSB, as the expert in marine services will provide marine services, to the project once commenced.
- In the first shipment, Vessel Dong Bang Giant No. 2 was safely navigated through the newly dredged Petchem channel and to the Petchem temporary jetty. The 2nd Shipment of Project Cargo was completed on 21 May 2022.



The Handling of Project Cargo for Petchem

BBSB ACHIEVES NEW BENCHMARK FOR THROUGHPUT

- In October 2022, BBSB marked the notable milestone of exceeding 50 million tonnes of overall inward throughput since commencing operations.

APPROVAL OF DE-BONDED AREA FOR SUPPLY BASE OPERATIONS

- On 26 July 2022, BPSB obtained approval to expand our existing de-bonded area to create additional capacity. This will attract more Petroleum Arrangement Contractors (PACs) to Bintulu Port.

SAFETY WALKABOUT AT SUBSIDIARIES

- The Safety Walkabout by Group Chief Executive Officer Designate (GCEOD), covering all subsidiaries of the Group, was held as part of courtesy visit and engagement session with each subsidiary. During the walkabout, GCEOD was briefed on the current status of the operation as well as visiting the customers of Samalaju Industrial Park.



A boat ride at BPSB during one of the walkabout session

IMPROVEMENT OF PORT FACILITIES

- The Level Luffing Crane and Mobile Harbour Crane at SIPSB resumed operation on 28th October 2022, while all five (5) conveyors and four (4) hoppers resumed its operation for palm kernel expellers (PKE) and palm kernel shell (PKS) at BPSB to improve handling efficiency and productivity.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Strategic Thrust 2 – EXPAND PORT CAPACITIES AND CAPITALISING ON KEY GROWTH MARKET SECTOR & PROFITABILITY

TRIPARTITE SIGNING CEREMONY BETWEEN BPA, SARAWAK PETCHEM & BPSB

- On 23 August 2022, a tripartite MoU between Bintulu Port Authority, BPSB and Sarawak Petchem Sdn Bhd was signed to jointly collaborate on the establishment and operation of the Sarawak Methanol Jetty within Bintulu Port's water limits.
- Sarawak Petchem plans to generate liquid methanol products at its methanol plant, which is presently being constructed and expected to be operational in the first quarter of 2024.
- The MoU covers 10 key areas of collaboration, including the safe operations of the Sarawak Methanol Jetty in relation to health, safety, security and environment, the establishment of marine services and a jetty management system, and the provision of technical advisory and support in relation to the Sarawak Methanol Jetty.



Tripartite Signing Ceremony Between BPA, SARAWAK Petchem & BPSB

MOU SIGNING WITH ZR INDUSTRIAL

- On 12 September 2022, a Memorandum of Understanding (MoU) was signed between SIPSB and ZR Industrial Group Sdn. Bhd. who is currently in the process of developing an integrated steel plant at Samalaju Industrial Park.
- The MoU signifies the intention of both companies to discuss, cooperate and collaborate in respect of port and facilities requirement in assisting the project.



MoU Signing with ZR Industrial

AWARD OF CONTRACT TO BPSB BY DARUSSALAM PILOTAGE SERVICES

- BPSB successfully secured a contract with Darussalam Pilotage Services (DPS) for the provision of pilotage services.
- The signing ceremony between BPSB and DPS for the one-year contract was held in Brunei Darussalam on 19 September 2022.

EXTENSION AND RENEWAL OF CONTRACTS FOR BASE SUPPORT

- Contracts with oil and gas players PETRONAS Carigali Sdn. Bhd., Thailand's PTT Exploration and Production Public Company Limited and Vestigo Petroleum Sdn. Bhd. were successfully extended during the year.
- We have also renewed our contracts for gassing up and cooling down (GUCD) services with PETRONAS LNG Ltd and bunkering services with Gafung Petroleum (M) Sdn Bhd.
- Sublease agreements with Agrifert and Mega Treeone Pellet were also signed during FY2022.

SIGNING OF MOU BETWEEN SARAWAK SHELL BERHAD FOR SULPHUR HANDLING

- BPSB entered into MOU with Sarawak Shell Berhad (SSB) and PTTEP for the export of sulphur through Bintulu Port in FY 2022.
- The scope of collaboration is for the storage and handling of Sulphur at Bintulu Port.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Strategic Thrust 3 – EMBARK INTO SMART AND GREEN PORT

BIOHUB: PORT OF ROTTERDAM AND CONSORTIUM PARTNERS VISIT

- The second phase of the BioHub Project entails the setting up of a project organisation team to assess the feasibility of the project, apart from conducting stakeholder mapping and market sounding prior to the development of a master plan. In line with this, Port of Rotterdam and the consortium partners had visited Bintulu and Samalaju to hold a series of meetings with several stakeholders in Sarawak.
- The BioHub Project aims to establish an innovative, sustainable and competitive industrial port complex with the mission to make use of available biomass feedstock in Sarawak to develop new circular industries, promote production of higher value-added exports, generate employment, attract private and foreign investment, and diversify Sarawak's economy.



Biohub: Port of Rotterdam and Consortium Partners Visit

UTAP 'DO IT RIGHT' CAMPAIGN GO GREEN INITIATIVE

- On 10 November 2022, the Group organised a campaign to distribute reusable lunchbox sets as an initiative to encourage BPHB employees to reduce the usage of plastic in their daily lives.

ENVIRONMENTAL WEEK 2022

- BPHB conducted a Group Environmental Week from 24-26 November 2022, helping to increase awareness of the importance of taking care of the environment, such as the proper way of disposing e-waste, while simultaneously building camaraderie between employees of BPHB.
- Organised by Group Health, Safety and Environment, various activities were carried out for BPHB employees and family members, including a kids' colouring contest and fashion show, a sculpture design competition using recycled materials, the Workshop Housekeeping Campaign 2022, an e-Waste Collection Drive, a Zumba Fitness class and a Mini Street Food Festival.

EMBARK INTO ELECTRIC VEHICLE FOR OPERATION

- The Group has embarked into electric vehicle (EV) for container and bulk operation at Bintulu Port and Samalaju Port.



One of the 3-tonne forklift for Bintulu Port's operation

SIPSB ENVIRONMENT CAMPAIGN 2022

- SIPSB organised a Go Green Environment Campaign that was held on 7 July 2022 in conjunction with the World Environment Day.
- Activities included a cycling challenge, beach cleaning, tree planting with Jabatan Alam Sekitar and Forest Department Sarawak and a CSR programme that provided cash and hampers for students.



The cycling challenge during SIPSB Environment Campaign 2022

EMBARK INTO DIGITAL, INTELLIGENT AND SUSTAINABLE PORT

- The Group has signed Memorandum of Understanding (MoU) with Sarawak Digital Economy Corporation (SDEC) on 30th January 2023 to jointly develop and transform SIPSB into a Digital, Intelligent and Sustainable Port by 2030.



A visit to SDEC

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

AWARDS AND RECOGNITION

INTEGRATED ANNUAL REPORT AWARD

- BPHB has received its second consecutive Gold Award in the Australasian Reporting Awards (ARA) 2022 General Award for its Annual Report 2020.



SIPSB OBTAINS (AA1(S)/STABLE) CORPORATE CREDIT RATINGS

- On 7 November 2022, SIPSB obtained the (AA1(s)/Stable) rating following the seventh Rating Review of Samalaju Industrial Port Sdn Bhd's Corporate Credit Ratings.
- RAM Ratings have also reaffirmed the long-term rating for Samalaju Industrial Port Sdn Bhd's Sukuk Murabahah Programme as AA1(s)/Stable.

SIPSB OBTAINS MSOSH AWARD 2021

- Following an Occupational Safety and Health Management System audit on 19 July 2022, SIPSB was awarded a Gold Class One (1) award from the Malaysian Society for Occupational Safety and Health (MSOSH) for the third time since 2018.

PREMIER OF SARAWAK ENVIRONMENTAL AWARD (PSEA)

- In 2022, BPSB was rewarded for its contributions towards environmental sustainability with the 10th Premier of Sarawak Environmental Award (PSEA) 2021/2022 Merit Award. The ceremony was officiated by the Premier of Sarawak and held at the Waterfront Hotel, Kuching.
- Formerly called the Chief Minister Environmental Award, PSEA is held once every two years with various categories open for participation. BPSB participated in the Government Linked Company category in 2022, and will participate again in 2024.



ACES Awards 2022

- In November, BPHB's Group Chief Executive Officer, Dato Mohammad Medan Abdullah, received Asia's Most Inspiring Executives Award during the Asia Corporate Excellence & Sustainability Awards (ACES) 2022.



Dato Mohammad Medan winning the ACES Awards 2022

EVENT HIGHLIGHTS

ANNUAL GENERAL MEETING

- On 28 April 2022, BPHB successfully conducted its 26th Annual General Meeting virtually and reported an operating revenue of RM728.39 million in 2021, 2.98% higher than that of 2020, in view of the recovery of the market from the pandemic.



BPHB 26th AGM

INTEGRITY VIDEO LAUNCHING AND TALK ON INTEGRITY

- On 25 February 2022, BPHB organised a talk on Corporate Liability Under Section 17A of MACC Act 2009 that was hosted by MACC Chief Commissioner Tan Sri Abu Kassim bin Mohamed. The talk was organised to raise awareness and emphasise the importance of the Adequate Procedures.
- In March, we also distributed the Code of Business Ethics, Anti-Bribery and Corruption Policy, Framework and SOP Booklets to all BPHB Group employees to increase their awareness and instil a culture of compliance and integrity among employees.



The Integrity Video Launching Ceremony

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

ANTI-DRUGS CAMPAIGN 2022

- BPHB launched a three-month long anti-drugs campaign from January to March 2022 that focused on creating a safe working environment and mobilising the Group's employees to act against drugs and illegal substance abuse through activities such as seminars, awareness drives and corporate activities.
- The Launching Ceremony and Talk was officiated by Group Chief Executive Officer Dato Mohammad Medan Bin Abdullah and attended by more than 200 staff.



Anti-Drugs Campaign 2022

CORRUPTION RISK MANAGEMENT WORKSHOP

- On 26–28 July 2022, a Corruption Risk Management (CRM) Workshop was conducted to spread awareness of CRM to all BPHB employees.



Corruption Risk Management Workshop

UTAP TRANSFORMATION JOURNEY CAMPAIGN 'DO IT RIGHT'

- On 10 November 2022, the Group organised the 'Do It Right' campaign as part of our UTAP Transformation Journey, which is the Group's initiative to transform its Governance, Risk and Compliance (GRC) culture.
- The event was attended by the Chairman of BPHB's Audit Committee, Dr Salihin bin Abang, who imparted his advice in a special video. The video also featured BPHB employees sharing their thoughts on the importance of the GRC culture in daily work practices.



Dr. Salihin, our Board members, during the Keynote Speech of "Do It Right" Campaign

MAIDEN VOYAGE OF TIGER BINTULU CEREMONY

- On 2 August 2022, BPSB and Tiger Gas held a Maiden Voyage and Vessel Naming Ceremony for the Tiger Bintulu, the first dual-fuelled LNG ISO tank carrier in the world.
- The 192-metre vessel had arrived at BICT on 26 July 2022 and departed to Longkou after the ceremony, carrying 400 units of LNG ISO tanks.



The Maiden Voyage Ceremony of MV Tiger Bintulu

CYBERSECURITY AWARENESS DAY

- On 5 October 2022, Group Information Technology organised a Cybersecurity Awareness Day with the purpose of raising awareness about digital security and equipping Bintulu Port employees with the knowledge they need to protect their personal information from cybercrime.

GALLERY WALK EVENT WITH BOARD OF DIRECTORS

- The Gallery Walk Event with the BPHB Board of Directors was conducted on 23 July 2022 as the final component of the Organisational and Operational Excellence Programme to Increase Business Profits for BPHB, which runs through 2026 and beyond. Future outlooks and initiatives were also discussed during the event.
- To align our company's True North program to 2026 and beyond, while also discussing initiatives and outlook for the future endeavour.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

EVENT HIGHLIGHTS

CORPORATE LIABILITY TALK BY TAN SRI ABU KASSIM BIN MOHAMED

- Group Integrity and Compliance organised the Integrity Video Launching and Talk on Integrity on 3rd November 2022 as part of the initiatives to instill high corporate governance culture in the Group.



Tan Sri Abu Kassim and our GCEOD during the Integrity Talk

10TH YEAR ANNIVERSARY OF SIPSB

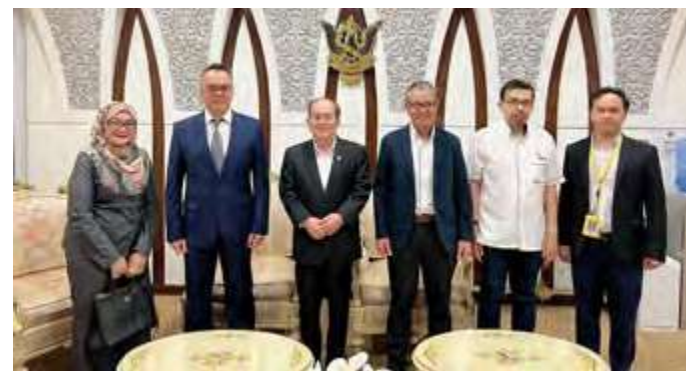
The 10th Year Anniversary of SIPSB, attended by the Board Members of Bintulu Port Holdings Berhad.



10th Year Anniversary of SIPSB

ENHANCING RELATIONSHIP WITH STAKEHOLDERS (ENGAGEMENT WITH CUSTOMERS, GOVERNMENT AGENCIES AND OTHER MALAYSIAN PORTS)

- Our Group Chief Executive Designate (GCEOD) held engagements with customers, government agencies as well as other Malaysian Ports. Some of the stakeholders included Petronas, Press Metal, Sakura Ferroalloys, OM Materials, Pertama Ferroalloys, BEO, Sarawak Oil Palms Berhad, Shin Yang Shipping, Westport, Ministry of Transport, Ministry of Infrastructure and Port Development. The engagement sessions were held to establish good rapport and to better understand our stakeholders' role in our business.



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

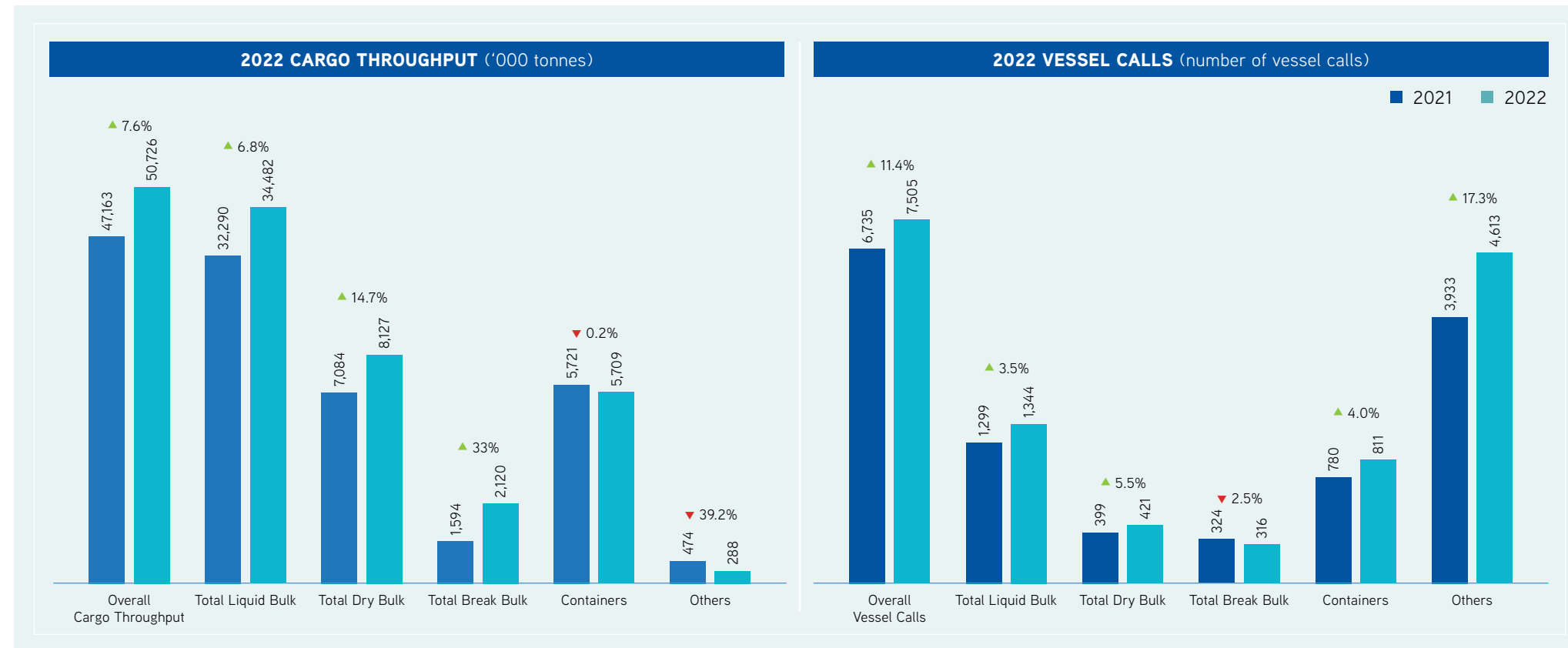
Group Operational and Financial Performance

Buoyed by international economies on the path to recovery, the Group's total cargo annual throughput volume in 2022 increased by 7.6% to 50.73 million tons compared to 47.16 million tons in 2021.

The performance improvement was spearheaded by a rise in LNG throughput, which grew 8.5% from 22.951 million tons last year to 24.893 million tons in 2022. We also saw volume expansion in non-LNG cargo, which increased by 6.7% to 25.833 million tons compared to 24.211 million tons in 2021.

Total vessel calls recorded in 2022 was 7,505 calls, representing an increase of 11.4% compared to 6,735 calls in 2021. LNG vessels increased by 3.1% to 469 calls while non-LNG vessels contributed to the bulk of the year's upsurge, rising by 12% to 7,036 calls.

As a result of the higher throughput and improvement in vessel calls, the Group reported an operating revenue of RM791.26 million in 2022, 8.63% higher than the RM728.39 million in 2021. Profit before tax was also higher at RM178.01 million, up by 40.9% compared to RM126.32 million in 2021.



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Annual Cargo Variance Analysis

The Russia-Ukraine conflict caused upward pressure on LNG prices, which led to a decline in demand from Asian import markets such as China and resulted in Japan reclaiming its spot as the world's largest LNG buyer. While this impacted the volume of our LNG ISO tank shipments for the year, it also enabled us to record an increase in our annual exports of LNG to Japan.

While LNG marked an increment of 8.5% in throughput during the year, other liquid bulk also rose by 2.7%, with increments contributed by all products except for crude oil/condensate, gas-to-liquid, ammonia and LPG.

Dry bulk cargo at Bintulu Port increased by 3.9% in 2022 while dry bulk at Samalaju Industrial Port saw a sharp increase of 21.7%, with the growth spurred by all types of cargo except coal and silica quartz. Break bulk also increased at both ports during the year, rising by 42.6% at Bintulu Port and by 27.6% at Samalaju.

SIPSB saw a major increase in containers throughput in 2022, increasing more than 10 times to almost 8,000 TEUs compared to just 724 TEUs the year before, since the service was only launched in late 2021. In combination, BPSB and SIPSB raised total container TEUs for the year by 4.4%.

Strategy and Outlook Going Forward

With global economic growth forecasts for 2023 remaining conservative, the Group will continue to build its operational resilience and prepare for potential challenges in the form of inflation, supply chain disruptions or geopolitical instability, among others. One of our key learnings from the pandemic has certainly been the importance of swift and decisive action to ensure business continuity.

As I alluded to earlier, we must also adapt our priorities in tandem with the shifting landscape. To this end, we are in the midst of refining the Group's long-term strategic direction from 2023 until 2050. While we will continue to drive progress within our three established thrusts, we will integrate a greater focus on matters such as digitalisation and sustainability in our upcoming framework to address current industry and consumer trends.

From a business outlook perspective, we are excited about the prospects offered by three MoUs signed in 2022. BPHB's MoU with Sarawak Shell Berhad is opening up the prospect of exporting sulphur from BPSB, while the tripartite MoU between Bintulu Port Authority, BPSB and Sarawak Petchem for the establishment and operation of the Sarawak Methanol Jetty will help us diversify our liquid cargo from 2024 onwards.

SIPSB also signed an MoU with ZR Industrial Group Sdn. Bhd. which will lead to a significant capacity increase and allow us to further tap into growing opportunities at Samalaju Industrial Park.

Looking forward, I believe that the Group's strategy to strengthen our fundamentals and drive positive transformation from the very top levels of leadership down to our port employees has placed us on the right trajectory to continue achieving excellence in service delivery.

Acknowledgements

In penning my last message as Group Chief Executive Officer of Bintulu Port Holdings Berhad, I wish to take this opportunity to thank all those who have worked alongside me throughout my time here.

I convey my deepest appreciation to the Board of Directors for their guidance. I also extend by sincere gratitude to my fellow colleagues, the Management team, assisted by dedicated employees whom I have had the pleasure to serve the organisation with. Your commitment in ensuring that we are always on top of our game in contributing to the industry has always motivated me. We have also been fortunate to be supported by regulatory authorities, our shareholders, customers and business partners and I thank them for their unwavering support to the organisation.

In closing, I warmly welcome Encik Ruslan bin Abdul Ghani as he takes my place as the new Group CEO. I wish him all the best in his endeavour to take the organisation to new heights.

DATO MOHAMMAD MEDAN BIN ABDULLAH

Group Chief Executive Officer

FINANCIAL PERFORMANCE REVIEW

The Group recorded operating revenue of RM791.26 million, 8.63% higher compared to year 2021.

Operating profit increased by RM40.48 million from RM185.90 million to RM226.38 million, contributed by the higher EBITDA of RM24.14 million year-on-year.

The Group's profit before tax increased to RM178.01 million from RM126.32 million in 2021, contributed by the higher operating revenue generated in 2022.



RAM Ratings reaffirmed the respective long-term and short-term corporate ratings of AA₁ and P1 for BPHB, with the long-term rating having a stable outlook



The shareholders' fund as at 31 December 2022 stood at RM1,754.27 million compared to RM1,690.10 million in 2021

REVENUE

	2022 RM'000	2021 RM'000
Revenue from port services rendered	731,822	671,059
Revenue from bulking services	39,319	37,813
Rental Income	20,118	19,515
Total Operating Revenue	791,259	728,387
Revenue from construction services for concession infrastructure	1,828	6,867
Total Revenue	793,087	735,254

The Group's profit before tax increased to RM178.01 million from RM126.32 million in 2021, contributed by the higher operating revenue generated in 2022. Overall, the Group recorded operating revenue of RM791.26 million, 8.63% higher compared to year 2021. The operating revenue comprised revenue from geographical locations in Malaysia of RM766.54 million and RM24.72 million from Brunei Darussalam. Revenue from LNG, which formed 48.99% of the total operating revenue, was still the main revenue contributor.

During the year under review, revenue generated from provision of port services at Bintulu Port, Malaysia of RM542.86 million increased by 9.35% compared to that of the previous year of RM496.43 million. Bintulu Port Sdn. Bhd. ("BPSB") also provided marine services at Muara District, Brunei Darussalam. The contract to provide pilotage and towage services which commenced on 1 February 2020 expired in July 2022 and from 1 August 2022, the contract was to provide pilotage service only for one year until July 2023. The business venture undertaken by BPSB at Muara District, Brunei Darussalam reaped an additional operating revenue of RM24.72 million, thus making up the total revenue from port services by BPSB of RM567.58 million in 2022, an increase of 6.25% compared to RM534.17 million in 2021. Revenue from the provision of port services at Samalaju Industrial Port increased by 19.98% to RM164.24 million against RM136.89 million recorded previously, while revenue from the provision of bulking facilities of RM39.32 million showed an increase of 4.00% from the RM37.81 million recorded in 2021. The increase in cargo volume handled at all the three operating subsidiaries also contributed to this outstanding operating revenue.

Revenue from rental income was accounted for in accordance with MFRS 16: *Leases* and comprised rental of warehouse, yard, land, office space and equipment at Bintulu Port (RM14.76 million) and tank rental at Biport Bulkers (RM5.36 million).

FINANCIAL PERFORMANCE REVIEW

Revenue from construction services for concession infrastructure was 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 and procurement of handling equipment undertaken during the year. There was no mark-up recognised on these activities as the Group outsourced the construction services and procurement to third parties.

INCOME STATEMENT

	2022 RM'000	2021 RM'000
Operating Revenue	791,259	728,387
Revenue from Construction Services	1,828	6,867
Other Income	9,802	16,362
Cost of Construction Services	(1,828)	(6,867)
Manpower Cost	(139,943)	(129,492)
Other Expenditure	(211,911)	(190,190)
EBITDA	449,207	425,067
Depreciation, Amortisation & Replacement Obligations	(222,827)	(239,165)
Operating Profit	226,380	185,902
Finance Costs	(67,096)	(74,282)
Finance Income	18,728	14,695
Profit Before Tax	178,012	126,315
Income Tax (Expense)/Credit	(50,288)	236,876
Profit After Tax	127,724	363,191

Operating profit increased by RM40.48 million from RM185.90 million to RM226.38 million, contributed by the higher EBITDA of RM24.13 million year-on-year. The total expenditure for the year was RM641.78 million, RM8.65 million more than the RM633.13 million recorded in the preceding year. The higher expenditure was due to higher manpower expenses, fuel expenses and service contract expenses and a recognition of loss on disposal on the assets being surrendered under the concession arrangement. However, expenses on depreciation for right-of-use assets was lower due to the completion of the contract tenure for charter hire of vessels for BPSB's Brunei operation.

There were no additional borrowings in 2022 and the finance cost comprised profit expenses on Sukuk Murabahah and the unwinding of discounts on lease obligations, replacement obligations, lease liabilities on right-of-use assets and provision for dredging.

The Group's profit after tax declined to RM127.72 million from the RM363.19 million recorded in the previous year. This was mainly due to the one-off transaction on the recognition of deferred tax assets arising from the unutilised investment tax allowance at one of its subsidiary companies, Samalaju Industrial Port Sdn. Bhd. in 2021.

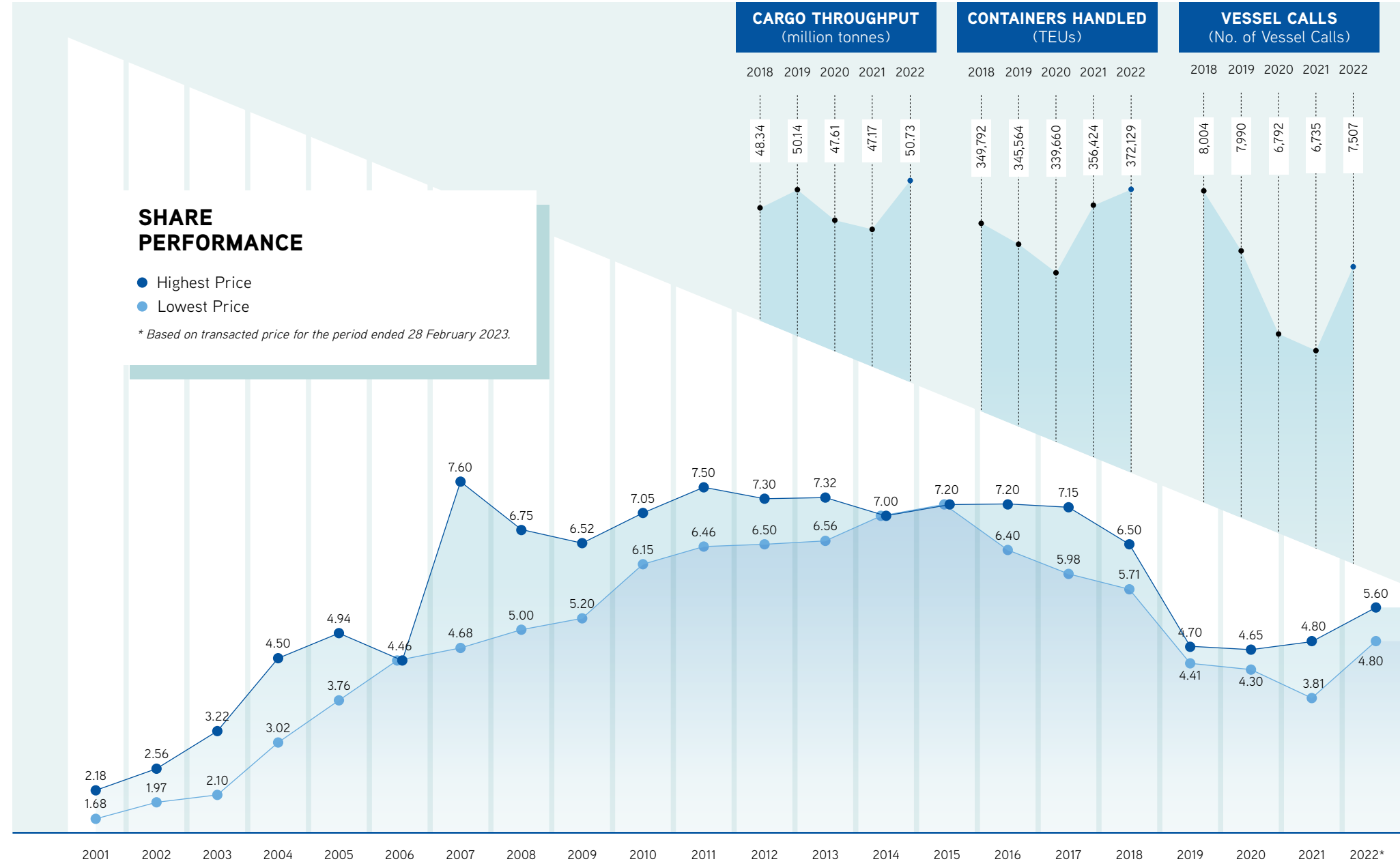
RAM Rating Services Berhad (RAM Ratings) completed their seventh (7th) annual ratings review of Bintulu Port Holdings Berhad (BPHB) as the Corporate Guarantor and SIPSB as the Issuer. RAM Ratings reaffirmed the respective long-term and short-term corporate ratings of AA₁ and P1 for BPHB, with the long-term rating having a stable outlook. RAM Ratings also reaffirmed the long-term rating of AA₁(s) for SIPSB's Sukuk Murabahah Programme of up to RM950 million in nominal value (2015/2036), with the long-term rating similarly having a stable outlook.

The cash and cash equivalents as at the end of 2022 was RM665.77 million. The positive net cash generated from operating activities of RM419.10 million was used for financing activities of RM295.12 million and partly for investing activities of RM131.56 million.

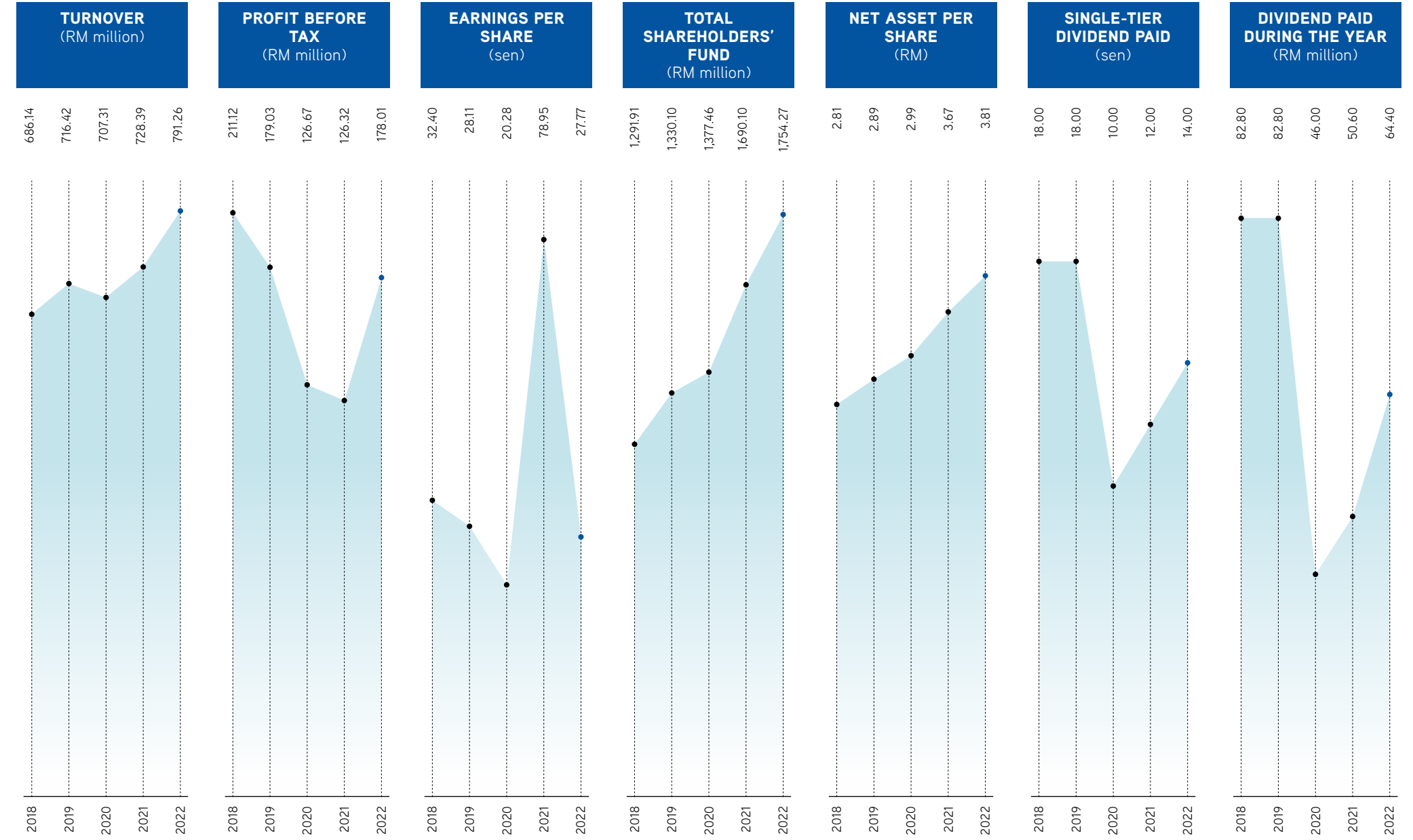
The shareholders' fund as at 31 December 2022 stood at RM1,754.27 million compared to RM1,690.10 million in 2021. The net asset per share was RM3.81.

For Year 2023, the global economy is expected to remain resilient with moderate growth prospects amid global uncertainty while Malaysia continues its economic recovery momentum. The Group remains positive and expects growth from the handling of Samalaju cargoes as well as project cargoes, while LNG will remain neutral and will be the main revenue contributor to the Group.

FINANCIAL PERFORMANCE REVIEW



FINANCIAL PERFORMANCE REVIEW



MARKET LANDSCAPE

The year 2022 saw strong economic growth momentum as every nation joined in embracing endemicity, sparking the widespread return of business activity, trade, travel and demand for goods. The rapid return of economic activity drove demand higher, which led to energy, commodity and food prices increasing as supply chains struggled to keep pace. The onset of the Russian-Ukraine conflict exacerbated the situation further, sending energy and commodity prices to multi-year highs and disrupting supply chains once again. Although prices came off these highs later in the year, they continued to stay at elevated levels.

The cumulative effect of these events was higher inflation, which prompted central banks around the world to aggressively tighten monetary policy as they sought to rein in inflationary pressures. As a result, global economic activity experienced a broad-based and sharper-than-expected slowdown. According to the International Monetary Fund (IMF), growth of the global economy moderated to 3.4% in 2022, following the 5.9% recorded in 2021.

Inflation also increased in Malaysia with the central bank, Bank Negara Malaysia, raising interest rates four times in 2022 to keep it in check. Unlike the global situation, this had a minimal effect on economic growth as Malaysia forged ahead in its first full year without lockdowns, posting an economic growth of 8.7% in 2022 – its highest since the year 2000.

As a port operator that plays a crucial role in the global supply chain, the developments in 2022 saw us benefitting from an increase in LNG vessel calls, exports of petroleum products and container throughput. We also observed a slowdown in certain industries such as construction activities and this was reflected in lower throughput and vessel calls for related materials.

Outlook

Global economic growth is expected to moderate further to 2.9% in 2023 according to the IMF, as tight monetary policy and the ongoing Russian-Ukraine conflict, which is now a year old, continues to weigh on overall economic activity. Growth will also be irregular across advanced and developing economies due to the influence of other domestic or regional developments. In Malaysia, the Ministry of Finance expects growth to be around 4-5%, supported by strong domestic demand and an improving labour market, although inflation is still expected to be high in 2023.

In our view, we expect demand for LNG to remain healthy following the increase of exploration activities in the country. This is in consideration of PETRONAS and its Petroleum Arrangement Contractors (PACs) recording a total of 10 hydrocarbon discoveries in Malaysia in 2022, eight of which were discoveries made off the coast of Sarawak. We also expect better performance for palm oil and dry bulk cargoes as well as container movements. This will be supported by the ramping up of production by our customers located in Samalaju Industrial Park.

Additionally, the Sarawak Corridor of Renewable Energy (SCORE) is targeting a planned total investment of RM334 billion by 2030, with private investment of RM267 billion and government investment of RM67 billion, propelling Samalaju Industrial Park's further development over the medium to long term. According to the 2023 Global Risks Report, organisations should focus their resilience efforts on expediting green energy, climate and nature investments; improving employee health and well-being; and strengthening cyber resilience.



Container stacks at BICT

MARKET LANDSCAPE

TRENDS MOVING FORWARD

Prioritising Sustainability

Malaysian corporates are firmly behind the Environmental, Social and Governance (ESG) agenda as demonstrated by their growing commitment towards embedding elements of sustainability within their operations and disclosing in greater detail their actions and initiatives, in line with globally recognised frameworks. This evolution demonstrates the heightened awareness among organisations regarding ESG issues and its importance to business strategy as well as to investors.

As a port operator, prioritising environmental sustainability, social responsibility, governance and stakeholder engagement can help us balance the ESG concerns of investors, meet their expectations and build a sustainable business that benefits all stakeholders.

Embracing Digitalisation

The pandemic expedited the use of technology in supply chain operations worldwide. Digital technologies have proven to greatly improve efficiency, productivity, transparency, reliability of operations, while also being able to reduce operational costs. Moving forward in the post-pandemic era, the reliance on digital mediums will remain and corporations will need to apply more advanced technologies to gain a competitive advantage. One of the most crucial areas in this context is automation. As organisations move forward and rely more on digital technologies, it is also important to guard data and information systems from increasing cyberthreats.

Source: Review of Maritime Transport 2022

Repercussions of Shipping Congestion

After major supply chain issues during the pandemic, which continued throughout 2022, we can now see supply chain pressures gradually easing. Reductions in port calls are also expected as shipping companies aim to cut costs and increase efficiency. In addition, following the congestion that ports and logistic industries faced in 2022, there is now an increasing number of unused containers which were not returned due to a drop in demand. Sea-Intelligence foresees 4.3 million TEUs of empty containers in 2023, which will create even more congestion in ports.

Source: czapp - Maritime Trade Faces Tough 2023

E-commerce Set to Grow Further

In recent years, there has been a massive surge in e-commerce and online shopping, which fuelled the growth of the logistics and transport sectors involved in moving the goods purchased to consumers. This behaviour is expected to continue for the foreseeable future. To meet the demands of this fast growing and highly time sensitive segment, port operators and shippers will have to constantly improve the efficiency of their operations to retain the competitive advantage.

Source: Review of Maritime Transport 2022

Alternative Fuels to Meet Climate Goals

More stringent environmental regulations continue to be implemented to ensure that ship owners are reducing the environmental impacts of their ships through the reduction of maritime greenhouse gas emissions. On 1 January 2023, some of the new and mandatory International Maritime Organisation regulations that came into force included the Carbon Intensity Indicator (CII) Rating Scheme, which measures operational carbon intensity, and the Energy Efficiency Existing Ship Index (EEXI), which measures energy efficiency.

To meet the standards under these new requirements, ship owners can modify their ships with energy-efficient technologies to use alternative fuels such as electricity, LNG and methanol. To promote the usage of these alternative fuels, ports play an important role in providing the suitable infrastructure to support the supply of low-emission energy.

Source: International Maritime Organisation, Review of Maritime Transport 2022

THE RISKS WE CONSIDER

FINANCIAL RISK

This describes the risk of the Group's reliance on the LNG and non-LNG sectors as key revenue contributors, both of which can be influenced by a variety of factors that may affect the targeted profitability.

Mitigation and Opportunities

In managing our risks and capitalising on opportunities, we have taken steps to address the challenges we face.

The diversification of the Group's revenue stream and growth plans in the non-LNG sector provides a safety net for our businesses.

To further protect the interest of our business, we have worked on the formulation of agreements to reach mutually beneficial agreements with our customers.

With higher efficiency, we are therefore able to better deliver to customers. We also ensure that we regularly engage with customers to facilitate proactive solutions in order to maintain their satisfaction levels.

Despite the easing of COVID-19's impact, the Group remains responsive, adaptive and resilient during the endemic phase.

Link to Material Matters:

- 01 Economic Performance
- 02 Operational Efficiency
- 03 Customer Satisfaction

STRATEGIC RISK

While the Group has received the approval in principle for the extension of its BPSB's concession since 2014, the risk described here is associated with the delay in finalising the details of the terms and the contract for the extension of the concession.

Mitigation and Opportunities

To narrow the gap caused by the delays, we have been working closely with the Port Authority and its appointed consultant in various ways to expedite expected results at a quicker pace. For example, the establishment of the mutually agreed-upon 14 Guiding Principles of the terms is expected to inject seamlessness into processes.

On a frequent basis, our Steering and Working Level Committee, which oversees the proceedings and negotiations for extensions, regularly engage with the Port Authority on our own accord to negotiate the terms for the extension of the concession. We are also working with the Port Authority to develop a Port Development Plan (PDP) that will span the next 30 years.

Link to Material Matters:

- 01 Economic Performance

CYBERSECURITY RISK

This refers to the risk of cyberthreats including but not limited to virus attacks, hacking, sabotage, malware and phishing.

Mitigation and Opportunities

In mitigating cybersecurity risk, we have implemented the Information Security Management System ISO 27001:2013, apart from establishing IT Security Policies and Procedures. We also ensure that our firewall and antivirus solutions are current and up to date.

We also continuously conduct cybersecurity awareness programmes for users, along with annual reviews of user access.

As a contingency plan to safeguard our information, we have also established a disaster recovery centre that assists in responding effectively to any incident. We have also commenced 24/7 monitoring of our network with the establishment of the Cyber Security Operation Centre on 1 July 2022.

One of the ways that we stay competitive and ahead in our business is by keeping our technology up to date. Therefore, the Group places a high priority on ensuring that obsolete IT equipment is replaced when required.

Link to Material Matters:

- 01 Port Security
- 02 Occupational Health and Safety
- 03 Customer Satisfaction
- 04 Economic Performance
- 05 Operational Efficiency

MAPPING OUR MATERIAL ISSUES

MATERIALITY ASSESSMENT

Bintulu Port acknowledges that material matters have direct or indirect impacts on our ability to create value in both financial and non-financial contexts. We recognise that these material issues are critical to ensuring business growth, meeting stakeholder needs and identifying emerging concerns of our business. A materiality assessment also allows us to identify opportunities and mitigate risks associated with each material matter. In 2021, we conducted an in-depth assessment to determine our material matters accurately and comprehensively. The process included an online survey for both internal and external stakeholders, and a focus group discussion to gain better insights.

METHODOLOGY AND RESULTS

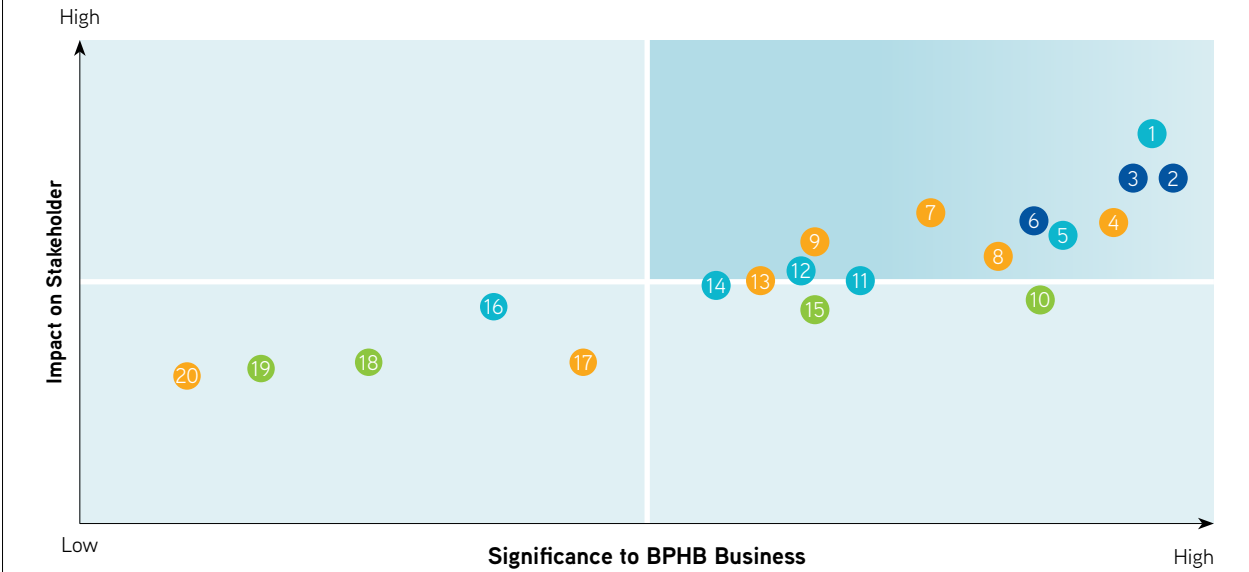
As part of our sustainability journey, we review our material matters every year and conduct a thorough materiality assessment once every few years. Our last materiality assessment in 2021 updated the materiality matrix that was first determined in 2017. We fully understand the importance of reviewing our material matters periodically to ensure that our strategies and initiatives are consistent with the requirements of our business and stakeholders in our current operational environment. The updated materiality matrix plays a crucial role in providing relevant information to support decision-making processes and prioritise actions that would create the most significant value for all stakeholders involved.

The first step was identifying a set of material matters that were pertinent to us. Desktop research was conducted involving peer-to-peer comparisons with local and global peers, along with reference to leading sustainability frameworks such as the Sustainability Accounts Standards Boards (Marine Transportation category). We also took into consideration the megatrends and assessed their short-, medium-, and long-term risks. This exercise ensured that the identified material issues were aligned with our goals and objectives, enabling us to focus on critical aspects that would benefit the Company in the long term.

As a result, we obtained a total of 20 material matters that were deemed relevant and significant to our business. These issues were sent out to a total of 1,843 stakeholders via an online survey to gather their feedback. A total of 18.6% or 343 respondents across all stakeholder groups responded. A focus group discussion was then conducted among the C-Suites to finalise and prioritise our material matters. Based on the discussion and rankings given by our stakeholders, a materiality matrix was produced. Out of the 20 issues, 10 were identified as highly significant to both our business and stakeholders, and six of these material issues were the same as the ones prioritised previously.

In 2022, we reviewed our material matters internally and concluded that all the material matters remained relevant in the year under review.

Our Materiality Matrix



- | | | | |
|--|--------------------------------|--------------------------------------|---------------|
| 01 Economic Performance | 07 Employee Engagement | 14 Technology and Digitisation | Governance |
| 02 Corporate Governance and Transparency | 08 Port Security | 15 Environmental Monitoring | Economic |
| 03 Ethics and Integrity | 09 Community Engagement | 16 Nation Building | Environmental |
| 04 Occupational Health and Safety | 10 Climate Change | 17 Workplace Diversity and Inclusion | Social |
| 05 Operational Efficiency | 11 Customer Satisfaction | 18 Marine Ecological Protection | |
| 06 Cybersecurity | 12 Supply Chain Management | 19 Energy Efficiency | |
| | 13 Human Resources Development | 20 Port Safety | |

MAPPING OUR MATERIAL ISSUES

Material Issue	Bintulu Port's Response to the Issue	Stakeholder Groups affected
Economic Performance	Strive to improve revenue, practice cost management and optimisation and efficient project management by: <ul style="list-style-type: none"> Improving operating margin through prudent expense management. Effective contract and tender administration to monitor cost budgeting. Inculcate practical and prudent spending. Continue working with the Authority for the implementation of new tariff. Target RM1 billion operating revenue in line with our Strategic Blueprint. Delivery in full and on time (DIFOT). 	
Corporate Governance and Transparency	<ul style="list-style-type: none"> Embedding a strong governance, risk and compliance (GRC) culture across functions and processes; integrated assurance function; strong three lines of defence through the UTAP Transformation Programme, where we have now crossed the halfway point with 31 out of 46 initiatives completed. Adhering to best practices as recommended by the Malaysian Code on Corporate Governance. Improving and enhancing how enterprise risk is viewed and understood by divisions, departments and employees. 	
Ethics and Integrity	<ul style="list-style-type: none"> Ensuring the various integrity policies that we have developed such as our Code of Business Ethics, Anti-Bribery and Corruption Policy and Procedure and Whistleblowing Policy are up to date at all times. Consistently conducting initiatives that raise awareness about our risk and integrity policies. 	
Occupational Health and Safety	Underlining our strong commitment to health and safety through: <ul style="list-style-type: none"> Targeting Zero Fatalities and Accidents and Zero Loss Time Incident Frequency (LTIF). Effective enforcement of safety requirements, standards and procedures. Enhancing emergency preparedness through multi-agency training and exercises. 	
Operational Efficiency	<ul style="list-style-type: none"> Improving operational performance of cargo/container handling and the reliability and readiness of our marine/port equipment and facilities by endeavouring to improve on the targets set out in our Customer Charter. Continuous improvements to our operational processes and standard operating procedures where we are also responsive to and guided by customer feedback. 	

Legend

Employees
 Customers
 Regulatory Authorities and Certification Bodies
 Shareholders and the Investing Public
 Local Community
 Media
 Vendors and Suppliers
 Financial Institutions and Sukuk Murabahah Subscribers/ Holders
 Maritime Community

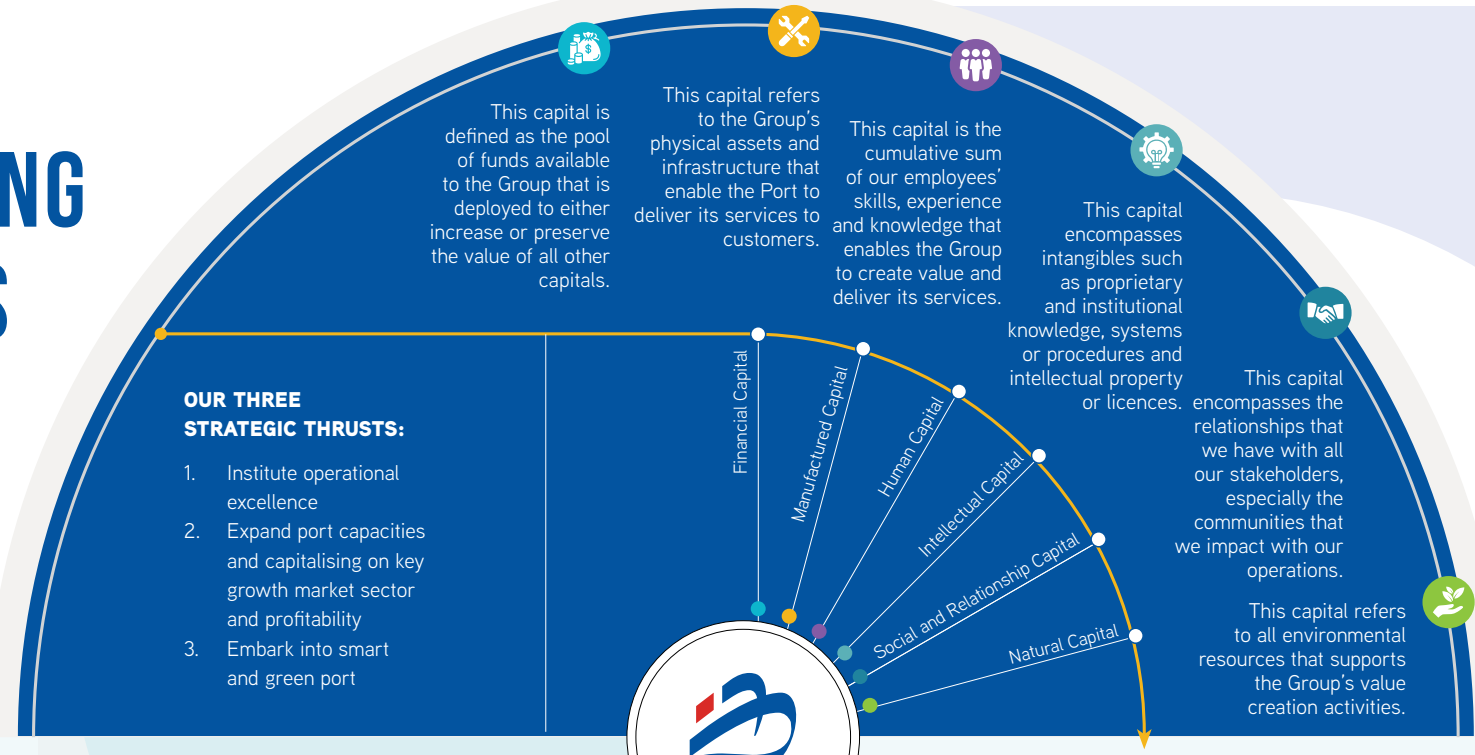
MAPPING OUR MATERIAL ISSUES

Material Issue	Bintulu Port's Response to the Issue	Stakeholder Groups affected
Cybersecurity	Providing a strong foundation for cybersecurity and resilience by: <ul style="list-style-type: none"> Commencing 24/7 monitoring and surveillance on Bintulu Port environment with the establishment of the Cybersecurity Operation Centre on 1 July 2022. Organising the Cybersecurity Awareness Day for Bintulu Port Group of Companies on 5 October 2022. Creating IT security policies and procedures and assuring the availability of a disaster recovery site. Obtaining ISO 27001:2013 - Information Security Management System certification. Ensuring the hardening of computer assets servers and computers. Performing Vulnerability Assessments and Penetration Testing to evaluate the system's overall security posture. Conducting a Phishing Email Campaign. Ensuring that the Firewalls and Detection and Response Solution (antivirus and network) are current and up to date. Subscribing to Security Scorecard - a platform as a service that gathers, attribute, and evaluates the overall health of BPHB cybersecurity by identifying exposed vulnerabilities in company digital assets identified on the public internet. 	
Employee Engagement	Continue to enhance human capital capabilities by: <ul style="list-style-type: none"> Developing and enhancing employee capabilities in the areas of leadership, knowledge, skills, behaviour and values. Enhancing talent management and developing effective succession planning. Increasing employee engagement and providing a conducive working environment in the new norm. 	
Port Security	Maintaining and enhancing the security within the port area by: <ul style="list-style-type: none"> Restricting access to the port area and implementing security threat assessments and programmes and subsequent enforcement of security plans, standards and procedures. Ensuring compliance with ISPS Code/Merchant Shipping Act A1316. Ensuring our supply chain complies with ISO 28000:2007 Security Management System (SMS). Ensuring all port users have undergone electronic vetting to detect past criminal history. 	
Community Engagement	We give back to the community via the four pillars of our Corporate Social Responsibility programme: <ul style="list-style-type: none"> Serving the Community Education Community Health Environment 	
Climate Change	We are committed to climate change action through the: <ul style="list-style-type: none"> Monitoring of Scope 1 and 2 emissions and initiatives to mitigate our emissions. Moving forward, we plan to disclose Scope 3 emissions in our 2023 reporting. Continuous improvements to energy efficiency and leveraging renewable energy opportunities. Inculcating energy saving awareness among employees at the workplace and at home. Conducting electronic waste collection drives to promote proper disposal of e-waste. 	

VALUE CREATION MODEL

UNDERSTANDING OUR BUSINESS MODEL

We create value by utilising six types of capitals: **Financial, Human, Intellectual, Natural, Social and Relationship and Manufactured Capitals**. Our long-term relevance as a business depends on the availability of these capitals, their utilisation and the consequent value delivered.



OUR VISION

A World-Class Port Operator

OUR MISSION

Delivering Operational Excellence and Ensuring Our Long-Term Sustainability Based on the 3Ps:

- People • Planet • Profits

OUR CORE VALUES

- Teamwork
- Integrity
- Innovation
- Professionalism

INPUT

- Operating revenue of **RM791.26 million**
- Market capitalisation of **RM2,392.00 million** as at 28 February 2023
- Total shareholders' fund of **RM1,754.27 million**
- Retained earnings of **RM862.50 million**
- Gearing ratio of **24.59%**

- **3** General Cargo Wharfs
- **3** LNG Jetties
- **2** Container Terminals
- **2** Edible Oil Terminals
- **5** Multipurpose Terminals
- **More than 135,000 sq m** of storage space
- **25 vessels** for ship handling and patrolling
- **18 cranes** to handle containers

- **Total employees: 1,555**
- **RM481,037** spent on 34 HSE training programmes
- A total of **RM3.73 million** invested in human resource training

- **Concession agreement to operate Bintulu Port**
- **Sole Port Operator to hold PETRONAS Supply Base license**, which enables the Port to attract PETRONAS Production Contractors
- **Holds bunkering licences** that enable the Port to provide bunkering services

- Being a **good corporate citizen**
- **Employment opportunities**
- **Business opportunities**
- **Customer-centric initiatives**
- **Engaging with the community**

- **Water quality**
- **Air quality**
- **Energy management**
- **Waste management**

KEY INITIATIVES



FINANCIAL CAPITAL

- We continued to maintain a strong capital base to ensure investor, creditor and market confidence remained positive to enable future growth of the business.
- Constantly strived to keep working capital at an optimal level.
- Ensured adequate reinvestment into the business via good maintenance practices.
- Optimised cost according to critical operational requirements, safety aspects and contractual obligations.



MANUFACTURED CAPITAL

- Continued to scale up our LNG ISO tank operations.
- BBSB was officially appointed to provide Port Tank Installation (PTI) services as part of Bursa Malaysia Derivatives' new East Malaysia Crude Palm Oil Futures (FEPO) contract.



HUMAN CAPITAL

- Robust occupational health, safety and environment systems in place to protect the health and safety of our employees.
- Maintained a skilled and productive workforce to meet current and future needs.



INTELLECTUAL CAPITAL

- Engagement with the state and central agencies to ensure the continuation of our licences and to demonstrate our value and contribution to the state.
- Maintained our international standard accreditations in ISO 9001:2015 (Quality Management Systems), ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management Systems).
- Obtained the renewal of the Supply Base License from PETRONAS for another three years until 2023.



SOCIAL AND RELATIONSHIP CAPITAL

- We primarily hire Sarawakians, providing a boost to the local economy and its communities.
- Our procurement practices are also geared towards supporting Sarawak-based companies, especially those in Bintulu.



NATURAL CAPITAL

- Continued to monitor our carbon emissions.
- Constantly carried out environmental conservation initiatives.

OUTCOMES



- Profit in 2022 (profit after tax): **RM127.72 million**
- % growth in operating revenue: **8.63%**
- Dividend payout ratio: **50.42%**
- Net asset per share: **RM3.81**



- We received the world's largest and first dual-fuelled LNG ISO tank carried, Tiger Bintulu, on her maiden voyage.
- BBSB achieved its first PTI physical delivery.



- Conducted **48,152** training hours in 2022 for our employees.
- Employee Satisfaction Survey: **58.50%** in 2022 (2021: 58.44%)



- Discussions are ongoing to finalise the terms of the new concession agreement between BPSB and BPA.
- Signed Memorandum of Understanding (MoU) with Sarawak Digital Economy Corporation (SDEC) to jointly develop and transform SIPSB into a Digital, Intelligent and Sustainable Port by 2030.
- The renewal of the Supply Base License with PETRONAS extends our position as the sole supply base operator in Sarawak.



- Almost **99%** of our **1,555 employees are Sarawakians**.
- Contributed over **RM250,000** financial aids, necessities and educational materials to the communities.



- Initiatives to enhance energy efficiency and enable energy cost saving such as installation of LED solar lights outdoor area car parks.
- Implemented initiatives to raise environmental awareness by conducting environmental week programmes at BPSB and SIPSB.

BALANCING OUR CAPITAL TRADE-OFFS

Port operations play a crucial role in fostering the growth and prosperity of businesses, societies, and our nation as a whole. As we strive towards this goal, we acknowledge that there will be trade-offs and choices that need to be carefully balanced. Hence, we exercise prudence in allocating our resources, ensuring that they are optimally utilised to generate value. Achieving this requires making difficult decisions, weighing short-term concerns against long-term benefits, and staying committed to our corporate vision and objectives for sustainable growth.

CUSTOMER-CENTRICITY

At the core of our business philosophy is a commitment to customer-centricity, which means that we prioritise our clients and strive to deliver services that meet their needs seamlessly, across their preferred channels. However, establishing and maintaining robust customer relationship management structures can be a substantial financial investment.

BRAND DEVELOPMENT

To drive sustainable growth, it is vital to enhance the visibility of our brand and services among current and potential customers. To accomplish this objective, we adopt a rigorous approach towards our socioeconomic development programmes and marketing strategies, with the aim of optimising their effectiveness. This requires us to devote significant resources and effort, as well as utilising our knowledge and expertise to guide our decision-making.

FINANCIAL MANAGEMENT

The key to providing sustainable returns to our shareholders lies in our ability to efficiently allocate resources towards enhancing customer satisfaction, promoting employee engagement and managing risks effectively. To achieve this, we must focus on generating revenue by continuously meeting our clients' evolving needs, while simultaneously reinforcing our competitive position. This also entails investments in building intellectual property and proprietary information, as well as allocating capital towards infrastructure and human resources.

PEOPLE, CAPACITY AND CAPABILITY

The success of the Group hinges on the collective efforts of its people, and therefore, we prioritise the development of our employees to meet the evolving needs of our organisation. This investment significantly enhances our human capital, supported by investments in information technology that amplify productivity and effectiveness. Moreover, the learning experience gained in creating new products and services contributes to the Group's intellectual capital.

REGULATORY ENVIRONMENT

Adherence to a range of regulations and laws is a non-negotiable requirement for operating any business. In today's climate of heightened governance standards, only those businesses that demonstrate a genuine commitment to compliance are regarded as successful. The Group places a great deal of emphasis on achieving complete compliance with applicable regulations, irrespective of our location of operation. This not only ensures business continuity but also contributes to the growth of our social and relationship capital, as well as intellectual and human capital. However, achieving compliance often necessitates a considerable investment of financial resources and infrastructure, potentially impacting our financial and manufacturing capital in the short term.

NATURAL CAPITAL

Our dependence on non-renewable resources has a detrimental effect on the state of our natural capital. Nevertheless, we remain committed to prioritizing energy efficiency and making concerted efforts and investments to minimise our environmental footprint. By implementing energy-saving initiatives, we not only mitigate the overall impact on our natural capital but also fortify our infrastructure for long-term sustainability, resulting in cost savings.

OPERATIONAL REVIEW

BINTULU PORT SDN. BHD. (BPSB)



Cargo Throughput
(Million tonnes)

43.98



Container Throughput
(TEUs)

364,169



Vessel Calls
(Number of calls)

7,152



Turnover
(RM million)

592.62



Profit Before Tax
(RM million)

196.61



Net Asset per Share
(RM)

9.86



Total Shareholders' Fund
(RM million)

641.12



Aerial view of BPSB

OPERATIONAL REVIEW

KEY ACHIEVEMENTS

In 2022, BPSB handled 43.98 million tonnes, about 5.1% more than 2021, mainly due to higher container throughput and LNG vessel calls. The improvement in volume subsequently produced higher revenue and profits for BPSB. This year, BPSB was focused on expanding its marine services business and exploring new business opportunities with a range of organisations.

One of the more significant milestones in 2022 as the signing of a tripartite Memorandum of Understanding (MoU) between the Bintulu Port Authority, BPSB and Sarawak Petchem Sdn Bhd to jointly collaborate on the establishment and operation of the Sarawak Methanol Jetty, located within Bintulu Port's water limits. Sarawak Petchem is constructing a methanol plant which is expected to be operational in the first quarter 2024 and BPSB will provide marine services once the plant starts operations. In the run up to the signing of this MoU, BPSB successfully completed two special shipments of Project Cargo for Sarawak Petchem in April and May 2022, where the vessels were safely navigated through the newly dredged Petchem channel and Petchem temporary jetty.

In the year under review, we successfully extended our contracts agreements with oil and gas players, Petronas Carigali Sdn. Bhd., Thailand's PTT Exploration and Production Public Company Limited (PTTEP) and Vestigo Petroleum Sdn. Bhd. To support the oil & gas industry, we also obtained approval to expand our existing de-bonded area and create additional capacity for supply base operations. This will enable the attraction of more Petroleum Arrangement Contractors (PACs) to Bintulu Port. We have also renewed our contracts for gassing up and cooling down (GUCD) services with Petronas LNG Ltd and bunkering services with Gafung Petroleum (M) Sdn Bhd. Sublease agreements with Agrifert and Mega Treeone Pellet, and a contract for the provision of pilotage services with Darussalam Pilotage Services in Brunei were also signed in 2022.

BPSB was also pleased to host the launching of the maiden voyage for the world's first dual-fuelled LNG ISO tank carrier in the world. Together with Tiger Gas, we held a Maiden Voyage and Vessel Naming Ceremony for the 192-meter Tiger Bintulu which arrived at BICT on 26 July 2022 and departed to Longkou, China after the ceremony carrying 400 LNG ISO tanks.

In terms of future opportunities, we signed a MoU with Sarawak Shell Berhad for the handling of sulphur which would be exported through BPSB. Operationally, we have ramped up the efficiency and productivity for the transport of palm kernel expellers and palm kernel shells by activating all five conveyors and four hoppers.

OPERATIONAL & FINANCIAL PERFORMANCE

	2018	2019	2020	2021	2022
Cargo Throughput (Million tonnes)	44.12	45.20	42.90	41.84	43.98
Container Throughput (TEUs)	349,792	345,564	339,621	355,700	364,169
Vessel Calls (Number of calls)	7,775	7,740	6,562	6,473	7,152
Turnover (RM million)	538.81	561.32	559.45	558.50	592.62
Profit Before Tax (RM million)	197.33	213.70	179.66	154.59	196.61
Net Asset per Share (RM)	7.89	8.65	9.08	9.26	9.86
Total Shareholders' Fund (RM million)	512.94	562.53	590.18	601.68	641.12

CHALLENGES

Our key challenge lies in the the development of initiatives to deliver effective solutions that support our stakeholders as we transition towards a gradual recovery from the pandemic. The pandemic had highlighted the need for continued operational resilience of our processes and infrastructure, which we need to pay close attention to especially as we near the end of our concession period.

OUTLOOK & PROSPECTS

In the coming year, BPSB is focused on three key objectives with the first priority placed on protecting the health and safety of every port user. We will take all necessary measures to ensure that our customers who come through our facilities are safe and secure.

The port is also committed to increasing shareholder value by controlling capital and operating expenses. This will require a concerted effort to optimise the port's resources through consistency in its operations.

Finally, we will be dedicating our resources into improving customer satisfaction by establishing a committee to oversee progress of our facilities. This committee will focus on areas of functionality, comfort, safety, sustainability, and efficiency of the port equipment, in order to provide the best possible experience for all customers.



Aerial view of BPSB

OPERATIONAL REVIEW



SAMALAJU INDUSTRIAL PORT SDN. BHD. (SIPSB)

							
	Cargo Throughput (Million tonnes)	Container Throughput (TEUs)	Vessel Calls (Number of calls)	Turnover (RM million)	Loss Before Tax (RM million)	Net Asset per Share (RM)	Total Shareholders' Fund (RM million)
	6.73	7,960	353	164.66	(23.62)	1.08	747.99



Handywx wharf operation at SIPSB

OPERATIONAL REVIEW



KEY ACHIEVEMENTS

In 2022, SIPSB handled a total cargo throughput of 6.73 million tonnes, significantly higher than the 5.33 million tonnes handled in 2021.

In the year under review, SIPSB signed a MoU with ZR Industrial Group which is in the process of developing an integrated steel plant at Samalaju Industrial Park. The MoU signifies the intention to cooperate and collaborate with respect to the proposed development.

In terms of operational milestones, we handled our largest shipment of aluminium products of 34,700MT to Turkey and recorded our highest cargo productivity for Press Metal's main raw material, aluminium oxide, recording 12,392 tonnes in one day. Our Level Luffing Crane and Mobile Harbour Crane at SIPSB also resumed operations in October 2022, giving us a productivity boost.

We have also maintained our high occupational safety and health standards. Following an Occupational Safety and Health Management System audit on 19 July 2022, SIPSB was awarded a Gold Class One (1) award from the Malaysian Society for Occupational Safety & Health (MSOSH). This was our third award since 2018.

OPERATIONAL & FINANCIAL PERFORMANCE

	2018	2019	2020	2021	2022
Cargo Throughput (Million tonnes)	4.22	4.94	4.71	5.33	6.73
Container Throughput (TEUs)	-	-	39	724	7,960
Vessel Calls (Number of calls)	229	250	230	262	353
Turnover (RM million)	101.61	114.72	111.71	137.32	164.66
Loss Before Tax (RM million)	(6.51)	(56.21)	(66.96)	(38.12)	(23.62)
Net Asset per Share (RM)	0.91	0.85	0.77	1.11	1.08
Total Shareholders' Fund (RM million)	543.34	583.51	531.43	768.29	747.99

CHALLENGES

Our key challenge lies in the the development of initiatives to deliver effective solutions that support our stakeholders as we transition towards a gradual recovery from the pandemic. The pandemic had highlighted the need for continued operational resilience of our processes and infrastructure, which we need to pay close attention to especially as we near the end of our concession period.

OUTLOOK & PROSPECTS

Moving forward, SIPSB is committed to driving growth by consistently enhancing the performance of our equipment to improve productivity and uptime. We believe that investing in latest technologies and digitalisation will enable our equipment to operate at peak performance levels.

We also look to maximising value through cost optimisation by continuously evaluating our operating expenses and finding effective methods to streamline and reduce costs. By doing so, we can create a more sustainable and profitable port which benefits our stakeholders.



OPERATIONAL REVIEW

BIPORT BULKERS SDN. BHD. (BBSB)



Cargo Throughput
(Million tonnes)

3.96



Turnover
(RM million)

50.77



Profit Before Tax
(RM million)

17.12



Net Asset per Share
(RM)

3.74



Total Shareholders' Fund
(RM million)

149.46



Aerial view of BBSB

OPERATIONAL REVIEW



The staff on top of the tanks during one of the inspection

KEY ACHIEVEMENTS

BBSB handled 3.96 million MT of palm oil in 2022, a 5.32% increase from the 3.76 million MT handled in 2021, mainly due to higher Crude Palm Oil (CPO) production in Sarawak from 3.91 million MT in 2021 to 4.01 million MT in 2022.

In the year under review, BBSB marked a significant milestone as we exceeded the overall throughput inward of 50 million MT since we commenced operations. In following up from our registration as a Port Tank Installation (PTI) service provider, we successfully completed our first physical deliveries of 10 contracts amounting to 250 MT of Crude Palm Oil in July 2022.

We have also enhanced our operational capabilities by adding four new export lines bringing our total to 17 lines that can be utilised concurrently within Palm Oil Northern 1 and Palm Oil Southern. The maiden operations for these four new lines were conducted for shipments aboard the MT Global Saturn in February 2022.

OPERATIONAL & FINANCIAL PERFORMANCE

	2018	2019	2020	2021	2022
Cargo Throughput (Million tonnes)	4.26	4.51	4.15	3.76	3.96
Turnover (RM million)	52.17	56.58	52.75	49.05	50.77
Profit Before Tax (RM million)	24.48	26.59	22.32	17.90	17.12
Net Asset per Share (RM)	3.53	3.64	3.66	3.68	3.74
Total Shareholders' Fund (RM million)	141.36	145.45	146.39	147.12	149.46

CHALLENGES

Our key challenge lies in the the development of initiatives to deliver effective solutions that support our stakeholders as we transition towards a gradual recovery from the pandemic. The pandemic had highlighted the need for continued operational resilience of our processes and infrastructure, which we need to pay close attention to especially as we near the end of our concession period.

OUTLOOK & PROSPECTS

As a bulking installation facility, it is important for BBSB to strictly comply with all standards following health and safety practices to avoid any potential risks or hazard.

Our future plans include the provision of pipeline bypass services for high-tonnage refineries. This service will comprise transporting products directly onto the vessel without passing through the storage tank.

To further improve customer satisfaction, BBSB will be establishing operational excellence in terms of terminal facilities' functionality, safety, and efficiency. Our customers can therefore, expect our facilities to be more reliable, providing them with customer service excellence and for us, better business outcomes.



The oil inspection at BBSB

COMMITMENT TO OUR PEOPLE



COMMITMENT TO OUR PEOPLE

Our employees play a fundamental role in enabling the Group to achieve its growth objectives and strategic aspirations. We therefore place great emphasis on ensuring the health, safety and welfare of our people are safeguarded at all times, and that they are provided with a working environment that is welcoming and motivational. We also support the personal and professional development of our employees, helping them advance their careers and achieve their full potential while simultaneously identifying and nurturing suitable talents for the succession pipeline of the Group.



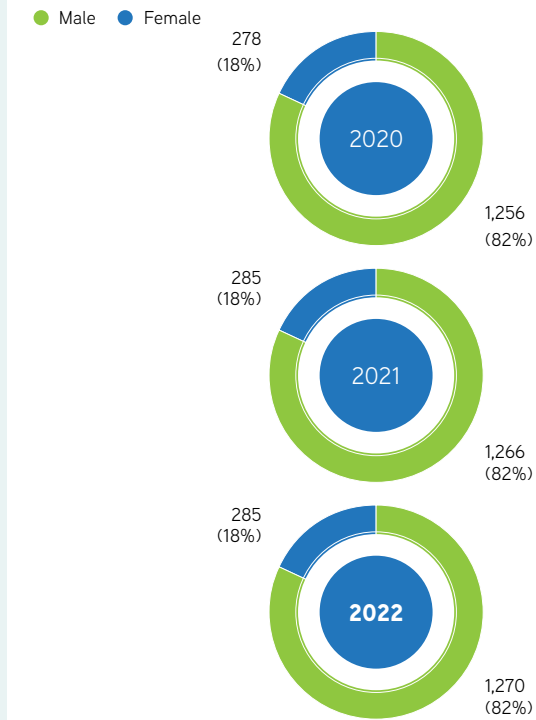
COMMITMENT TO OUR PEOPLE

WORKFORCE PROFILE

Total No. of Employees

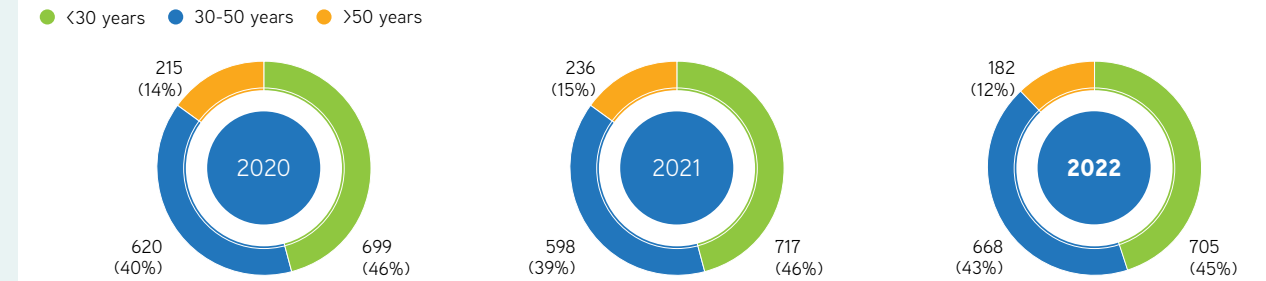


Employee Breakdown by Gender



* as of 31 December 2022

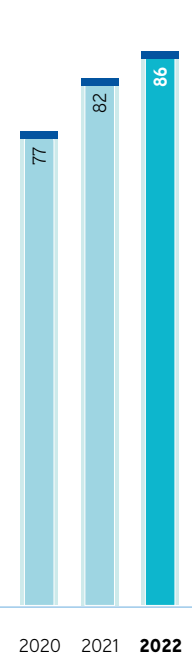
Employee Breakdown by Age Group



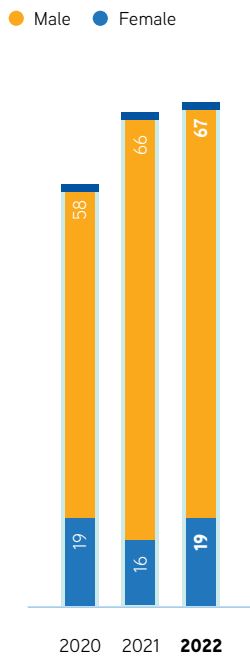
Total No. of Employees



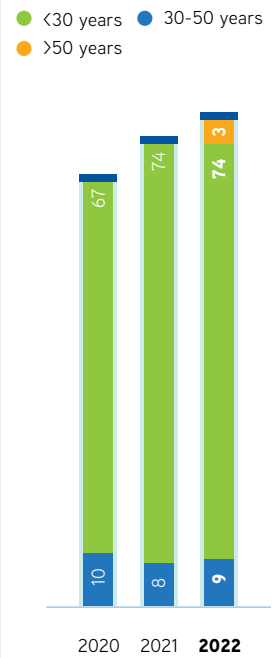
Total No. of Employee Hires



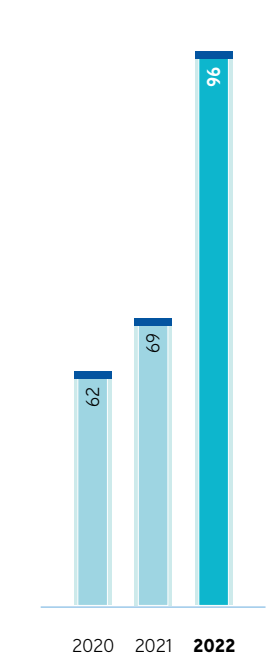
Total No. of Employee Hires by Gender



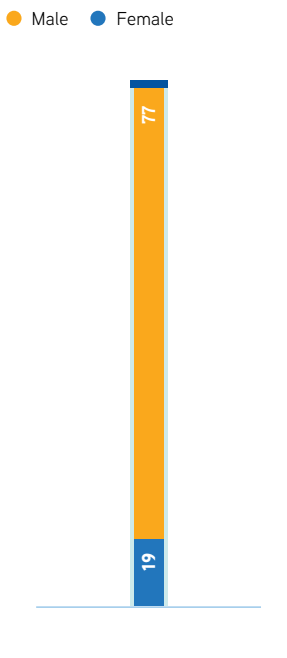
Total No. of Employee Hires by Age Group



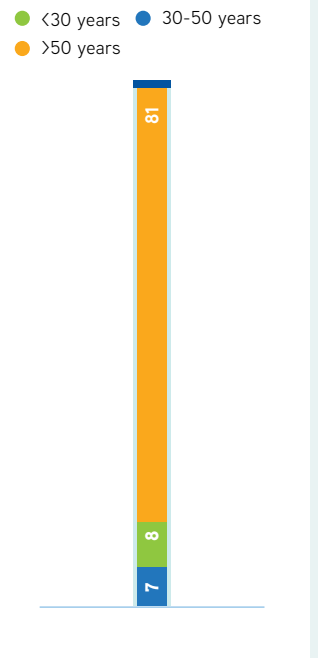
Total No. of Employees Turnover



Total No. of Employees Turnover by Gender



Total No. of Employees Turnover by Age Group



COMMITMENT TO OUR PEOPLE

WORKFORCE PROFILE

SUPPORTING LOCAL GRADUATES THROUGH MYSTEP

BPHB maintained its commitment to the enhance the employability of young Malaysian graduates and fast-forward the nation's human capital development through our continued participation in the MYSTEP short-employment programme introduced by the Ministry of Finance (MOF) in 2021.

In FY2022, a total of seven graduates were accepted for a one-year programme at BPHB to gain career exposure in the areas of entrepreneurship, environment sustainability and social impact. Nineteen graduates took part in the programme in FY2021, of which four have extended their employment at BPHB following their stint.

DEVELOPING OUR PEOPLE

To ensure our people continue to receive career progression opportunities, we actively engage with our employees through various platforms to collectively develop their aptitude and leadership skills. At the same time, we consistently identify talents that are suitable successors to key management positions.

Throughout 2022, the Talent Council Committee conducted three interview sessions which involved eight vacant managerial positions due to staff retirement and promotion of the incumbent. The Talent Council Committee was established on 9 February 2012 by the Management to oversee and provide strategic direction for the Company's human capital initiatives.

A total of 33 out of 1,555 staff were promoted internally during 2022, whereby 10% were promoted to top management, 2.45% promoted to managerial positions, 0.65% promoted to executive positions and 1.63% promoted to non-executive positions.

In 2022, Bintulu Port received 204 applications for Industrial Training, an increase of almost 100% compared to 104 applications in 2021. The increase was contributed mainly by the lifting of the Movement Control Order (MCO) by the government and the Back to Work at Full Capacity (100%) programme enforced by the Company, which opened up opportunities to the students to apply for Industrial Training at the Company to complete their studies.

TRAINING AND DEVELOPMENT

48,152

total training hours

an average **21.5** training hours per employee, with the participation of **970** employees

Total training investment for 2022

RM3.73 million

Average training hours per employee by job level

Job Level	Total Hours	Average Hours
Non-executive	34,319.50	51.38
Executive	9,456.00	42.79
Management	4,377.00	54.04

Training Courses held during 2022:

- i Three (3) MyStep Business training courses
- ii Three (3) Leadership training modules
- iii Thirty four (34) Health, Safety and Environment (HSE) related training courses



A visit to the one of the training centre

EMPLOYEE WELFARE

Medical Assistance

Apart from the normal medical benefits provided to all BPHB Group of Companies staff, the Company also provided medical assistance in terms of medical treatment costs for critical illnesses, purchases of medical equipment such as special beds for bedridden patients, wheelchairs, hearing aids and breathing aids.

In 2022, the Company spent RM490,369 on medical assistance.

Natural Disaster Assistance

On 31 October 2022, Bintulu was hit by a flash flood due to continuous heavy rain that affected 115 staff of BPHB residing in various areas in Bintulu. As part of the Company's corporate social responsibility (CSR), all staff affected by the disaster were provided with immediate one-off financial assistance ranging from RM500 to RM1,200 per family to ease their difficulties.

Immediate financial assistance was also given to a staff whose house was partly damaged due to a fire.

In 2022, a total of RM 120,400 was spent as part of the Company's CSR to relieve the burden of the staff affected by natural disasters.

Educational Assistance

The Company provided educational financial assistance to the children of eligible non-executive and executive staff prior to the opening of the new school semester. Assistance was also provided for the children of all categories of staff to pursue their first degree at any public or private university.

In 2022, the total educational assistance spent was RM 219,935.

Farewell Dinner

Throughout 2022, the Company organised four farewell dinners as an appreciation for the service, dedication and commitment of 64 employees who either had reached their mandatory retirement age or opted for early retirement. The dinners included attendance by their family members, the Management team and their colleagues.

In 2022, a total of RM 160,000 was spent on the farewell dinners for retiring staff.



Malam Jasamu Dikenang

PEOPLE ENGAGEMENT

ANTI-DRUGS CAMPAIGN 2022, LAUNCH CEREMONY AND TALK INVITATION

PROGRAM TAKLIMAT KESEDARAN KANSER ANJURAN MAKNA

3R AWARENESS TALK AS PART OF THE BPHB GROUP ENVIRONMENTAL WEEK 2022

TAKLIMAT PENDIDIKAN KEWANGAN DAN PEMBUKAAN KAUNTER MOBILE KWSP

INTEGRITY VIDEO LAUNCH AND TALK ON INTEGRITY

CLIMBING THE CORPORATE LADDER, IN STILETTOS AND A BABY IN TOW (WOMEN LEADERSHIP SHARING SESSION BY DATUK (DR.) YASMIN BINTI MAHMOOD)



A session with Datuk (Dr.) Yasmin binti Mahmood, one of our Board Members

COMMITMENT TO OUR PEOPLE

Employee Benefits

We reward employees of the Group with comprehensive remuneration packages that express our appreciation for their efforts and nurture their loyalty and dedication to the Company.

These include benefits such as insurance coverage, medical and optical coverage, and access to home ownership schemes, car loans, computer loans and study loans. Employees that do not live near our Samalaju operations are provided daily free transport to and from work. We also provide retirement benefits such as retirement grants, removal expenses and transportation expenses.

The Group further recognises that the treatment for some critical illnesses may cost more than some employees can bear and fully covers such medical expenses on a case-by-case basis. We are also keen to promote the value of education and do so via two programmes that provide educational financial aid to the children of our employees.

The Academic Excellence Award, which provides financial incentives to students who achieve excellent academic results or have gained acceptance into university, has benefitted an average of 60 students annually since it commenced in 1993. Meanwhile, the Schoolchildren Financial Aid Scheme launched in 2010 continues to provide allowances to the children of employees earning below RM3,500, with an average of 600 kindergarten or primary school children benefitting each year from the financial support of RM350 or more.

GRIEVANCE PROCEDURE

All employees at BPHB are empowered to raise concerns to upper management via a fair and transparent procedure, with the assurance that all grievances will be dealt with in an unbiased and timely manner. Complaints must be submitted within the stipulated time period by the complainant's immediate superior. If a consensus is not reached internally, the matter may be escalated as a dispute to the Industrial Relations Department in the Ministry of Human Resource and action will be taken based on Section 26 of the Industrial Relations Act 1967.

The same grievance channel is utilised by Bintulu Port's workers' union, Kesatuan Sekerja Kakitangan Bintulu Port Sdn. Bhd., which represents 61% of the port's 724 workers and is empowered to raise complaints directly to the Management. Employees may also raise concerns via the stipulations within the Crew Articleship Agreement made between Management and crew representatives, which covers areas such as grade and salary structure, allowances, on-board complaint procedures, leave and other benefits agreed by both parties.

Daily berthing meetings conducted by BPSB provide another opportunity for concerns regarding safe berthing and cargo operations of ships at the port to be raised and resolved with the shipping agent. These meetings are chaired by the Manager of the Logistics Department, Cargo Handling Services Division.

COMMITMENT TO OUR PEOPLE

HEALTH AND SAFETY

We recognise that protecting our people and safeguarding their well-being are vital to ensure our business runs smoothly and to achieve sustainable growth in our business.

The health and safety of our workforce, customers and local communities are our top priority. We are committed towards safeguarding the health and safety of everyone through the establishment of safe practices across our operations and continuously embedding a safety culture among our workforce. Our approach focuses on increasing the understanding and management of safety risks to prevent risks and reduce injuries and accidents in our operations. In addition, we continue to provide safety training to our employees and workers to emphasise safety and to foster a safe working environment.

We also have in place a health and safety management system that enables us to respond promptly to incidents, minimising any impacts to our people, the environment and the communities in areas where we operate. Our emergency response procedures are also tested periodically to ensure that they are reliable and effective.

To strengthen our occupational safety and health (OSH), we have an Integrated Management (IMS) Policy which emphasises our commitment to the following:

- i Strong leadership, ownership and commitment to safety
- ii Inculcating good health and safe procedures across our operations
- iii Commitment to continuous improvement
- iv Improving hazard identification, risks assessment and prevention measures
- v Ensuring operational compliance with principles, standards and behaviours

To this end, our approach is guided by the following Acts, standards and policies that enforce safe workplace conditions and standards:

Acts	Standards	Policies
OSHA 1994	ISO 45001:2018	IMS Policy
FMA 1967	ISO 9001:2015	Stop Work Policy
EQA 1974	ISO 14001:2015	Environment Policy

Moving forward, we will be implementing the regulations of the revised Occupational Safety and Health Act 1994 (OSHA) throughout our operations.

We are aware that the nature of our business operations has the potential to expose our employees, contractors and service providers to hazards and work-related injuries. As such, we strive to ingrain best practices in the day-to-day operations of our business units to safeguard and manage the health and safety of everyone on our premises.

On 11 March 2022, the Group obtained the ISO 45001:2018 – Occupational Health and Safety Management System certification, which reflects its commitment towards upholding high standards of health and safety across the Group.

HEALTH AND SAFETY GOVERNANCE

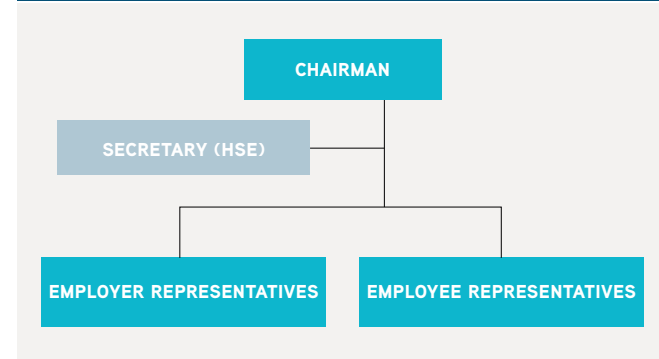
Our business units are empowered to take initiatives to communicate health and safety matters to their respective employees through the Health, Safety and Environment Committee, which comprises an equal number of employer and employee representatives in accordance with OSHA 1994 requirements.

Apart from that, we continue to enforce OSH best practices at our operations by maintaining standards as per the ISO 45001:2018 certification.

INCULCATING A CULTURE OF HEALTH AND SAFETY

We believe in proactively inculcating a working environment that appreciates the importance of health and safety, and regularly conduct a variety of HSE initiatives and training programmes to keep such matters at the top of employees’ minds.

BPHB’s Safety and Health Committee Structure for Each Business Unit



A staff during operation at SIPSB

COMMITMENT TO OUR PEOPLE

PROVIDING POST-PANDEMIC SUPPORT

Although we have transitioned into the endemic phase of COVID-19, we continued to take active measures to keep the virus at bay. In FY2022, we employed COVID-19 controls and prevention measures to protect our workforce and minimise the risk of workplace infections and clusters.

Additionally, all of our employees and workers have been fully vaccinated to protect their health and those they come into contact with. Our COVID-19 controls have mandated vaccinations as a requirement to enter our premises, in alignment with local laws and regulations. Pre-entry tests were also enforced across our operations as an additional measure to reduce workplace transmissions.

COVID-19 related initiatives undertaken during the year included:

- i Distribution of Life Oxy Pac at BPHB Group
- ii Distribution of COVID-19 self-test kits
- iii Conducting a mental health survey, i.e. the Depression, Anxiety and Stress Scale – 21 Items (DASS-21)

The emergence of COVID-19 did not only affect our employees’ physical health, but also impacted their mental well-being. As such, in FY2022 we continued to focus on raising awareness of mental health through the implementation of our DASS-21 Survey to recognise and support individuals who were facing mental health issues. We continued to promote, educate and create awareness campaigns on mental health to equip our workforce with the tools and skills needed to build resilience and to support their mental health needs.

INCULCATING SAFETY THROUGH TRAINING

We provided training to our workforce to improve and enhance their awareness on safety and specific work-related hazards. Training topics included:

- Health and Safety Committee
- Incident/Accident Cause Mapping
- Tripod Beta Incident Investigation Technique and Reporting
- Chemical Safety Handling
- Emergency Response Plan
- Hazard Identification, Risk Assessment and Risk Control (HIRARC)
- Competency Identification Training (CIT)



A fire drill exercise by our Safety Department

COMMITMENT TO OUR PEOPLE

ENGAGING WITH LOCAL AUTHORITIES

The Group works closely with local authorities on various aspects of safety, such as the DOSH assessments and conducting safety, health and welfare workshops. We believe that our engagement with local authorities will minimise the risk of accidents and injuries at the workplace, and protect the community in the areas where we operate from Major Hazard Installations (MHI).



Signing Ceremony for Bintulu Emergency Mutual Aid Group (BEMA)

HEALTH AND SAFETY PERFORMANCE

Our health and safety performance is managed through internal processes that determine the requirements for the classification, rating, recording and investigation of accidents.

In the reporting year, we recorded a decrease in the number of incidents and the Lost Time Incident Frequency (LTIF) rate, which was 0.353 as at 31 December 2022, benchmarked against our target of 0.50. The majority of our work-related injuries recorded in FY2022 were due to soft-tissue injuries such as wounds and bruises as a result of manual labour.

Going forward, we will make every effort to achieve zero fatalities by observing good OSH practices throughout our operations. We hope to reduce the number of occupational hazards and create a positive, healthy and safe culture by enabling our staff through the implementation of the UAUC Online Reporting across the Group.

BPHB HEALTH AND SAFETY PERFORMANCE

Employees						
Year	2020		2021		2022	
	Number	Rate	Number	Rate	Number	Rate
Fatalities	0	0.00	0	0.00	0	0.00
Work-related injury	6	1.71	3	0.64	6	1.20
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0	0	0.00
Recordable work-related injuries (including fatalities)	6	1.71	3	0.64	6	1.20
Number of hours worked	3,511,109.05		4,654,816.69		4,997,102	

Note: The rates were calculated based on 1,000,000 hours worked

Non-employees						
Year	2020		2021		2022	
	Number	Rate	Number	Rate	Number	Rate
Fatalities	0	0.00	0	0.00	0	0.00
Work-related injury	5	1.47	2	0.55	3	0.86
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0.00
Recordable work-related injuries (including fatalities)	5	1.47	2	0.55	3	0.86
Number of hours worked	3,410,176.20		3,646,858.74		3,494,032	

Note: The rates were calculated based on 1,000,000 hours worked

MITIGATING RISKS AND ACCIDENTS

The Group aspires to keep its employees and contractors safe through the enforcement of various mitigation measures such as:

- i implementing engineering control in operation areas
- ii conducting regular safety training/briefing for employees and contractors
- iii enforcing the use of PPEs among employees and contractors

We also aim to improve on our organisational capability and operational controls to prevent accidents from escalating to fatalities. We believe that our efforts to implement these measures over the past three years have enabled us to achieve a lower LTIF record.

SAFEGUARDING THE ENVIRONMENT



SAFEGUARDING THE ENVIRONMENT

We are cognisant that the services we provide and the supply chain solutions offered to our clients may directly or indirectly impact the environment. We are therefore constantly seeking to minimise or eliminate potentially adverse environmental impacts through a variety of evolving best practices.

Our Group-wide efforts are guided by the BPHB Group Environmental Policy that establishes our commitments in upholding a high level of environmental stewardship. Further to this, Bintulu Port has adopted an Environmental Management System (EMS) that is based on the principles of the ISO 14001:2015 global standard, while our risk assessment exercises utilise a preventive approach as per the guidelines of the Environmental Quality Act 1974.

We aim to promote sustainability and environmental awareness across the Group in the areas of regulatory compliance, carbon footprint management, enhanced utilisation of resources and improved energy efficiency.



SAFEGUARDING THE ENVIRONMENT

ENVIRONMENTAL INITIATIVES DURING FY2022

Workshop Housekeeping Campaign

We conducted a special Workshop Housekeeping Campaign during FY2022, which saw spot-checks being conducted every three months at all seven workshops across the Group.

The purposes of this Campaign were to ensure:

- 1) all workshops complied with relevant statutory regulations;
- 2) workshop areas were kept clean and tidy at all times;
- 3) workplace hazards were controlled or eliminated;
- 4) the risks of spillage were minimised; and
- 5) further development of safe working practices and a culture of environmental protection among our workers.

Environmental Week 2022

Led by the Group Health, Safety & Environment (GHSE) team, a large number of educational and engaging events were held at Bintulu Port Group throughout Environmental Week in November FY2022.

Bintulu Port Group collaborated with Trienekens (Sarawak) Sdn. Bhd. to organise various activities that spread the spirit of environmental conservation at Taman Sri Pelabuhan, with employees from Bintulu Port Group attending together with children from a Montessori Kindergarten and members of the surrounding community. A representative from the Department of Environment (DOE), Bintulu Branch also observed the various activities.

Highlights of the week included a 3R awareness talk to employees, a children's colouring contest to create an environmental-caring mindset in the young, Zumba fitness sessions, a mini street food festival in support of local entrepreneurs and various design and fashion competitions that featured the use of recycled materials.



Environmental Week 2022 at Taman Sri Pelabuhan, Bintulu

SAFEGUARDING THE ENVIRONMENT

As for the e-waste collection drive campaign, a total of 589 units, equivalent to 710 kg of e-waste, was collected for recycling or proper disposal, including laptops, smartphones, TVs, printers and much more.

In FY2022,
589 units
of e-waste was collected weighing
710 kg



Activities carried out during the Environmental Week 2022

SIPSB organised a variety of activities during the year to raise environmental awareness, with one of the main activities being jogging - a combination of jogging or hiking while picking up litter - at various local beaches and recreational hillsides. In addition to the three jogging outings organised during FY2022, SIPSB held a logo design contest, a photo contest, a clothes donation drive and a slew of engaging events for employees during Environmental Week, as outlined in the table below.

SIPSB Initiatives for Environmental Week and Beyond	
SIPSB Kraken Go Green Strava Challenge	Employees who logged the most cycling mileage in a single activity during the challenge window from 21 October - 21 November 2022 were rewarded with great prizes.
Choose the Stairs Campaign	A special 'No Elevator and Choose the Stairs' campaign at Wisma Samalaju encouraged all able employees to reduce elevator usage and save an estimated 0.2 - 0.5 kg in carbon emissions per worker per day.
Q4 Anjung Hijau Projek - SIPSB Tree-Planting	We commenced a tree-planting project on 17 October 2022 with the planting of six trees and set the target of planting 500 trees during FY2022. The launch event was attended by the Bintulu Port Management Team and our Board of Directors.
SIPSB Green Cycling Programme	A special cycling event was held to raise awareness on environmental conservation, featuring SIPSB management, employees and contractors.
Paper Reduction Drive	Various initiatives to encourage employees to use paper responsibly, including double-sided printing, taking e-notes, using cloud storage to minimise printing, practising hot-desking to reduce clutter, creating a paperless culture and keeping recycling bins handy.

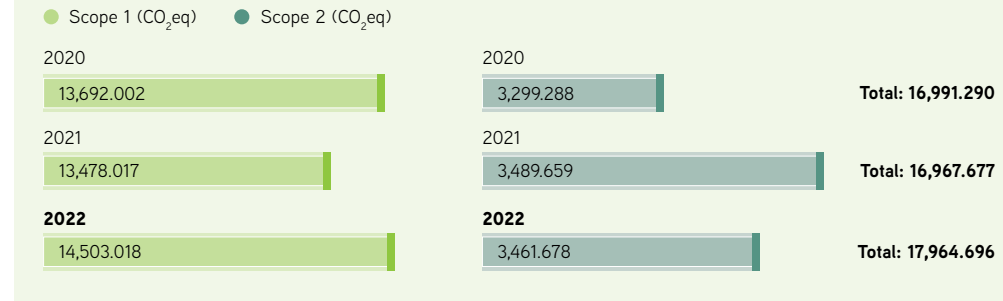


Tree Planting Program involving staff and our Board of Directors

SAFEGUARDING THE ENVIRONMENT

CARBON EMISSIONS AND INTENSITY DATA FY2022 (BPSB ONLY)

1) Carbon Footprint Calculation (BPSB only)



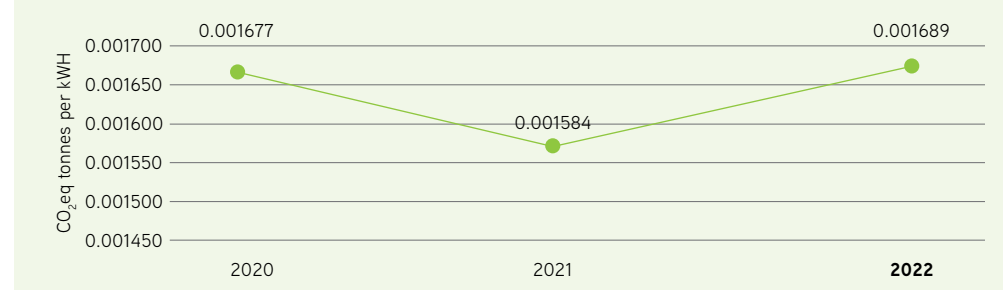
SCOPE 1 (PORT DIRECT EMISSIONS)

These sources are directly under the control and operation of the port administration entity and include port-owned fleet vehicles, port administration-owned or leased vehicles, buildings (e.g. boilers, furnaces, etc.), port-owned and operated cargo handling equipment and any other emissions sources that are owned and operated by the port.

SCOPE 2 (PORT INDIRECT SOURCES)

These sources include port-purchased electricity for port administration-owned buildings and operations.

2) Carbon Footprint Intensities (BPSB only)



Carbon emissions for Scope 1 and Scope 2 increased by 5.87% in FY2022 due to an increase in operational demands such as an increase in vessel calls and fuel consumption that led to an upsurge in our diesel consumption.

ENERGY EFFICIENCY

Ongoing initiatives to enhance energy efficiency include the installation of LED solar lights at our outdoor car park areas, which not only reduces our reliance on electricity but simultaneously increases our adoption of renewable solar power. These lights provide an equal intensity to conventional lighting while enabling us to save on our energy costs.

Moving ahead, we have decided to expand our scope for monitoring our carbon footprint and will conduct a new baseline emissions study in FY2023 that will assess the total emissions for the Group, inclusive of all subsidiaries – BPSB, BBSB and SPSB. This will allow us to measure, report and identify improvements to limit carbon emissions and ultimately, set a net zero strategy for the Group with decarbonisation initiative options that are meaningful and actionable, and which will cover vision-setting, workshops, emissions forecasts and quantifiable projects.

WASTE MANAGEMENT

With the constant proliferation of landfills causing damage to the environment, corporate entities must play their role by making proper waste management an integral component of any sustainability journey. Proper waste management provides benefits such as enhancing efficiency, improving public image and reducing operational costs, while improper management exposes the Group to financial, legal, reputational and operational risks.

Thus, we have implemented a comprehensive and responsible waste management system that ensures we are equipped to comply with all regulatory requirements and are continually improving it to enhance our environmental footprint and reduce potential impacts.

Stringent processes to manage scheduled and domestic waste

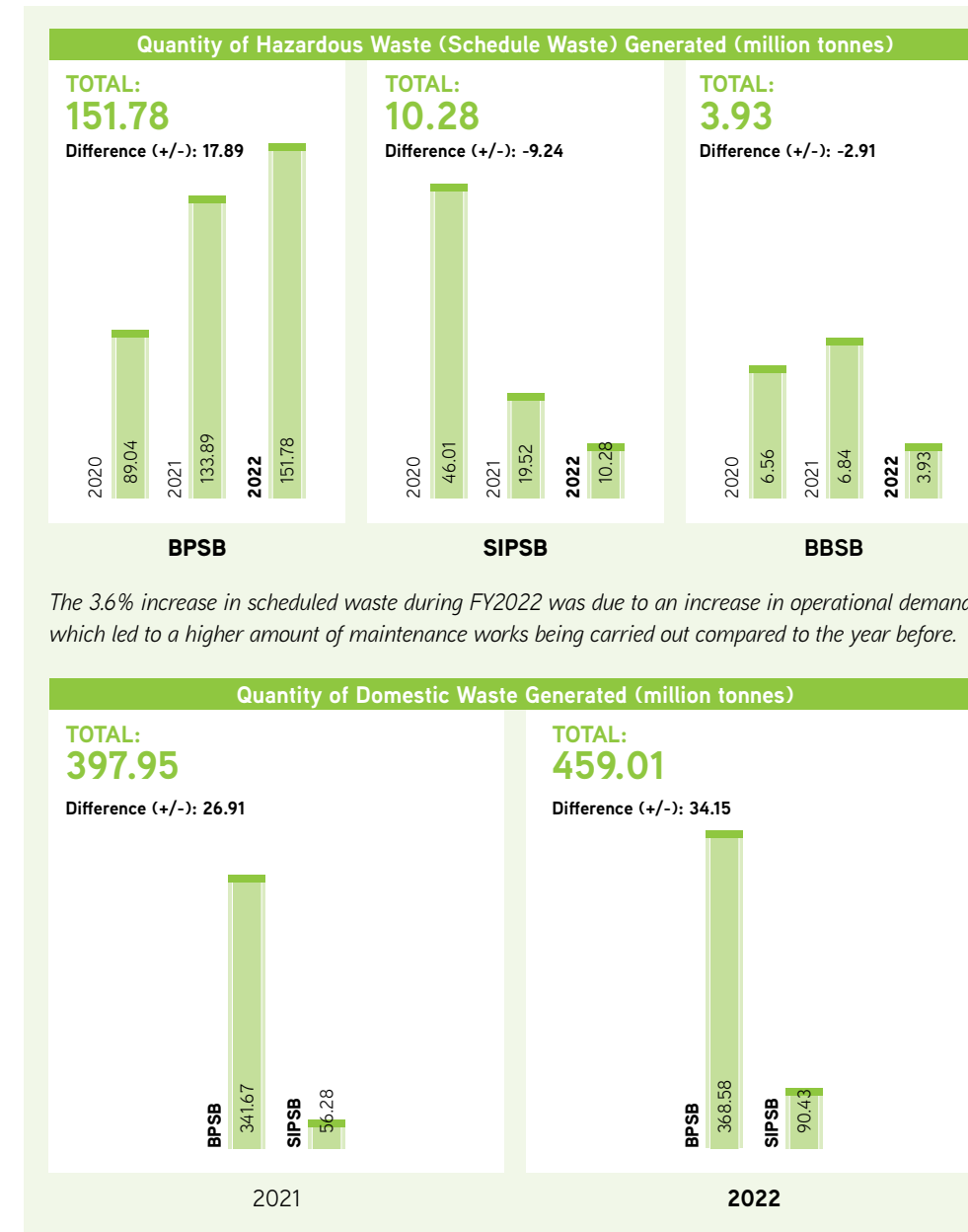
We have three main categories of waste with distinct disposal protocols. Domestic waste is collected and disposed of by a local contractor registered under the Bintulu Development Authority (BDA). Meanwhile, scheduled waste is collected and disposed of by a DOE-licensed contractor. We also generate annual tyre waste due to our utilisation of tyres in a variety of port operations.

Due to the large amount of total scheduled waste generated from boat maintenance in BPSB, the Group has complied strictly with statutory regulations to obtain the necessary approval from the Department of Environment (DoE) to store more than the standard 20 metric tonnes. Our application was approved in 2021 and allows us to store a combined total of 30–40 metric tonnes of Spent Lube Oil and Spent Oil-Water Mineral (Bilges) provided they are disposed of within 180 days of being generated. This is part of our commitment to complying with statutory regulations.

We conduct a scheduled waste storage inspection at the end of each month to monitor quantity levels, arrange timely disposals and ensure all regulatory requirements are met. An annual environmental inspection was conducted by DOE Bintulu in the first quarter at SPSB and the third quarter at both BPSB and BBSB. No penalty was issued following the inspections.

The monitoring of final discharges from our Sewage Treatment Plant (STP) is also conducted monthly as required by the Environmental Quality (Sewage) Regulations 2009. The most recent monitoring in December 2022 found the STP system was functioning well, all parameters were in compliance with statutory regulations and the wastewater discharged was not harmful to the environment.

SAFEGUARDING THE ENVIRONMENT



Tyre Disposal



Used tyres were collected and disposed of through a Sarawak government-appointed company, ZHA Environmental Sdn Bhd, sole licensed used tyre collector in Sarawak at no charge.

Daily LNG & Palm Oil Vessel Inspections

Inspections on LNG and Palm Oil Vessels for Shipboard Oil Pollution Emergency Plan (SOPEP) compliance are conducted by GHSE daily as we aim to ensure no oil spills or discharges occur during a vessel berthing at Bintulu Port.

Oil Spills

To ensure we remain fully prepared at all times, oil spill drills are regularly conducted according to a schedule throughout the year. The drills also provide an opportunity to ensure all emergency equipment that would be required in the event of a spill is maintained in proper working condition.

During the year under review, a minor spillage occurred on 30 June 2022, whereby an estimated 1 million tonnes of used lube oil was accidentally spilled onto the road surface by a contractor from the Harbour Link Group. Cleaning up was immediately conducted to prevent the spreading of the spilled product.

ELECTRICITY, FUEL AND WATER CONSUMPTION

Given the nature of our operations, energy consumption is a major contributor to our environmental footprint. Our main source of energy is diesel, which powers our vessels, plants and equipment, while we also utilise Liquid Petroleum Gas (LPG) and electricity purchased from the grid. The Group recognises that fossil fuels have an impact on the environment, and we are constantly seeking solutions for reducing our reliance on fossil fuels wherever possible.

SAFEGUARDING THE ENVIRONMENT

Fuel Consumption (Diesel)

In 2022, our overall diesel fuel consumption increased by 7.9% due to more diesel being required to fulfil the higher operational demands.

Division	2020 (L)	2021 (L)	2022 (L)
MSD	3,524,333	3,394,405	3,751,782
POED (HHE)	1,275,275	1,192,971	1,207,845
POED (YSE)	487,502	441,735	451,947

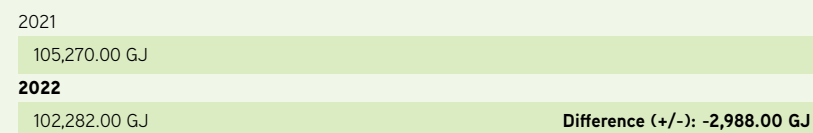
Division	2020 (L)	2021 (L)	2022 (L)
POED	166,532	119,545	129,800

Division	2021 (L)	2022 (L)
BOILER	24,000	48,000

Total	5,455,152	5,172,656	5,589,374
Difference (+/-)			416,718

*HHE – Heavy Handling Equipment *YSE – Yard Support Equipment

LPG Consumption (units in GJ)

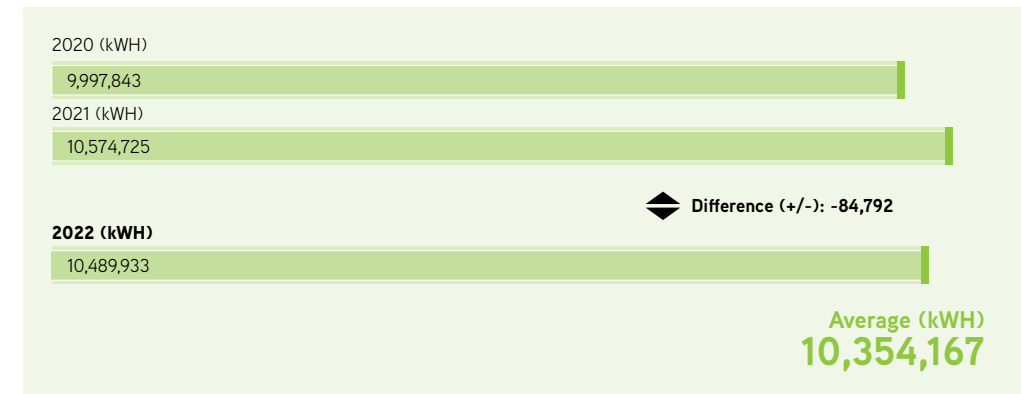


A decrease in of LPG usage in 2022 by 8.05% due to pipeline maintenance led to an increase in diesel consumption as a backup power source.

ELECTRICITY AND WATER CONSUMPTION

We aspire to constantly optimise our use of electricity and water wherever possible, and continually monitor our consumption to gauge and manage our performance. We also promote responsible habits among employees via initiatives such as awareness campaigns.

We exclusively use electricity purchased from the grid and do not generate our own energy. In 2022, our electricity consumption decreased by 0.8%. As of today, 80% of lighting in port areas is LED lighting, including High Mast lighting, which contributed to the decrease.



In addition to promoting responsible water consumption and management among our own employees, we encourage port contractors to reduce their water consumption wherever possible. The water we use is drawn from the municipal supply and we do not use shared water resources or operate in water-stressed areas, where improper use of water can impact surrounding local communities.

Our primary use of water is to supply fresh water to vessels and for cleaning purposes. To ensure the ongoing cleanliness and safety of our water, a Ministry of Health (MoH) Malaysia-qualified contractor has been appointed to conduct quarterly fresh water sampling at both Bintulu Port and Samalaju Industrial Port. The results of the analysis have shown full compliance with the National Drinking Water Quality Standards requirements.

In 2022, our water consumption increased by 2.4% due to a higher demand for fresh water supply for vessels berthing at Bintulu Port.

SAFEGUARDING THE ENVIRONMENT

Environmental Monitoring Programme

We conduct an Environmental Monitoring Programme every quarter at the Proposed Second Inner Harbour Development Project to monitor and evaluate environmental conditions within the following six parameters:

- 1 Marine Water Quality
- 3 Marine Sediment Quality
- 5 Ambient Air Quality
- 2 River Water Quality
- 4 Aquatic Microbiological Status
- 6 Noise Levels



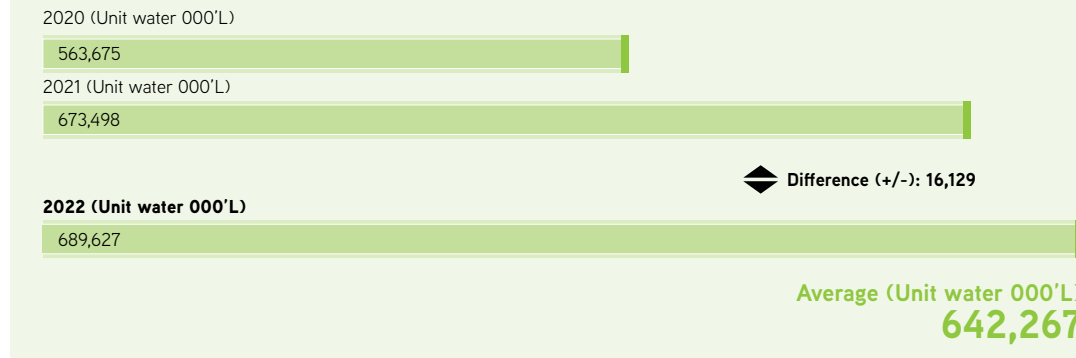
The most recent monitoring was conducted in the fourth quarter of 2022. Based on the report that was received, all parameters were within acceptable limits and complied with related statutory requirements. In the year under review, there was no maintenance dredging work conducted. Additional monitoring is undertaken during maintenance dredging activities to mitigate the potential negative environmental impacts in and around the site.

Following the establishment and approval of an Environmental Impact Assessment (EIA) in FY2021, Bintulu Port subsequently moved forward to prepare an Environmental Management Plan for LNG ISO Tank operations during the year under review. As per the requirements in the Approval Conditions of the EIA project, a DOE-registered environmental consultant has been appointed to prepare the report based on the 7 Mainstreaming Tools requirement.

FORWARD-LOOKING STATEMENT

Looking ahead, Bintulu Port is committed to a more intensive focus on monitoring our carbon emissions. We will conduct a new baseline study in 2023 that will assess total emissions for the Group which will include all subsidiaries. We will continue to monitor and report on our carbon emissions according to Scope 1 and 2, while work to report Scope 3 emissions is underway. With these improvements, we hope to establish a net zero strategy for the Group. We will also continue to support other initiatives that will strengthen our environmental stewardship.

BPHB Three-Year Water Consumption (Unit water 000'L)



REDUCING OUR IMPACT ON BIODIVERSITY

Our commitment to safeguarding the sustainability of our planet extends to protecting the biodiversity of natural ecosystems and reducing the potential impact of our operations on environmental vitality or stability. As a major port services provider, we have adopted the following practices to play our part in conserving biodiversity within the environments where we operate.

Broad Environmental Management Initiatives

- The handling and transportation of scheduled waste within the Port's areas are monitored with extreme care to avoid any damage to the ecosystem.
- Ballast water discharges by ships can have a negative impact on the marine environment. We analyse such water in every incoming vessel to ensure our natural ecosystem will not be polluted.
- We undertake Environmental Monitoring to ensure the balance of marine ecosystems before, during and after maintenance dredging works, while simultaneously identifying substances that can adversely impact marine water quality within the Port's areas.
- We are constantly improving cargo handling to reduce environmental impacts within the context of unwanted spillages or dust pollution from dry bulk cargo.
- Continuous inspections are conducted to ensure all port activities are carried out in a manner that minimises the risk of potential pollution.



EMPOWERING COMMUNITIES



EMPOWERING COMMUNITIES

In its commitment to sustainable development, BPHB continues to support and empower local communities and society through targeted initiatives, investments and efforts to generate long-term positive impacts.

As a corporate citizen that cares for the needs of communities, we strive to sustain the people around us by providing financial assistance and basic necessities and supporting the educational needs of communities in areas where we operate. In all that we do for our communities, we continue to be guided by the four pillars of our corporate social responsibility (CSR) programme and our yearly initiatives for the 3Ps – People, Planet and Profits.



Our CSR at Puan Rawir, Bario, where we donated for their piping facilities

EMPOWERING COMMUNITIES

PILLAR 1: SERVING THE COMMUNITY

The Group is committed to support the needs of the underserved and the underprivileged. Our efforts to provide aid will not only lift the lives of communities but also enable our employees to play a part in giving back to society and strengthening our reputation. In 2022, our initiatives included supporting those who were impacted by fire incidents, giving cash donations to assist families, single mothers and villagers and other contributions to assist communities.

Bintulu Port Prihatin

BPHB's primary CSR initiative is Bintulu Port Prihatin, which seeks to provide aid to communities to show charity. In the year under review, we contributed over RM158,000 to support the needs of these communities. Our contributions went towards the following:

Contributed over **RM158,000** to support the needs of the communities

Community Initiative	Initiative Details
Supporting Communities Affected by Fire Disasters	<ul style="list-style-type: none"> Donated RM1,000 to each family in the MLNG community. About nine families benefitted from this initiative. Contributed school supplies, uniforms, stationery and other essentials to 72 schoolchildren at Uma Sambop, Sungai Belaga. Provided food kits to support 20 families living in Kampung Sibiew.
Providing Support to Various Organisations (e.g. NGOs, religious organisations)	<ul style="list-style-type: none"> Donated RM10,000 to Majlis Islam Sarawak to organise Majlis Tilawah Al-Quran in Bintulu to support the State programme, where 400 people benefitted. Distributed hampers to RTM Bintulu in a media engagement initiative. Provided RM10,000 to NGO Tempat Transit Gelandangan (TTG) Sibiu to distribute food and hygiene kits to the homeless community living in Sibiu. Contributed RM10,000 to support local educational institutions during the eBorneo Knowledge Fair 2022 in Bario. Donated RM15,000 to the House of Prayer For All Nations Church in Puan Rawir, Bario for their piping facilities.
Other Community Initiatives	<ul style="list-style-type: none"> Provided sanitation items to 1,200 students in SMK Kemena during COVID-19. Contributed RM200 each to support B40 single mothers in Bintulu during Hari Raya. Over RM25,000 was provided to support 50 single mothers who benefitted from this initiative. Donated five units of grass cutter machines to the community in Kampung Seberang Jaya, Kuala Tatau. Distributed packed food and hygiene kits to 70 homeless individuals residing in Bintulu, in a CSR collaboration with the Bintulu Development Authority and Jabatan Kebajikan Masyarakat Bintulu.
Initiatives in Conjunction with Malaysia Day and Merdeka Celebrations	<ul style="list-style-type: none"> Contributed RM35,000 as the main sponsor of Program Konvoi Merdeka Keluarga Malaysia (KMKM) 2022, in partnership with the Malaysian Information Department, Kuching. Donated 10,000 pieces of national and state flags to celebrate Hari Malaysia 2022 in a collaboration programme with the Resident Office Bintulu.



Our CSR at Uma Sambop, Sungai Belaga, we donated to their school supplies

EMPOWERING COMMUNITIES

PILLAR 2: EDUCATION

The Group is committed to supporting the educational needs of children, to secure a brighter future for them. To this end, we have rolled out various initiatives to help children who have limited access to quality education. In the year under review, we donated more than RM118,000 to improve learning facilities in schools and provided school supplies and uniforms, among others.

Contribution of Facilities and Equipment

We provided aid to cultivate a conducive learning environment in schools and to facilitate students' educational development with the following contributions:

- Donated a PA system set to SMK Santubong, Kuching to be used as part of its teaching sessions, benefitting 1,300 students in the school
- Contributed RM10,000 to SK Kampung Bahagia Jaya, Sibul for their library facilities development project
- Supplied 100 units of plastic chairs and six units of bookshelves to SK Ulu Durin, Sibul to support rural school facilities
- Provided 10 units of stand fans and one PA system set to the Surau and Musalla of SK Semerah Padi, Kuching, benefitting 1,000 students



Donation to SMK Santubong, Kuching

Borneo Evangelical Mission's (BEM) Learning & Educational Programme

The Borneo Evangelical Mission spearheaded a learning and educational programme to provide educational support to children in Borneo. In support of their initiative, BPHB contributed RM10,000 which benefitted more than 400 people in the Kenyah community.



Donation to the Kenyah Community

Back-to-School Programme 2023

As one of the Group's major CSR initiatives, the objective of the Back-to-School programme is to support educational excellence and is organised in collaboration with Pejabat Pendidikan Daerah Bintulu, Tatau and Sebauh. In 2022, we donated RM80,000 to provide school supplies, shoes, uniforms and school bags to 231 students from SK Kampung Nyalau and SK Kuala Nyalau in Bintulu.



The students in our Back-to-School Programme

EMPOWERING COMMUNITIES

PILLAR 3: COMMUNITY HEALTH

The Group is committed to supporting the health needs of the community through improving access to healthcare services and other initiatives to safeguard their health and well-being.

Blood Donation Campaign 2022

The Blood Donation Campaign is an annual initiative that is in its fifth consecutive year. The aim of the initiative is to increase the supply of the Blood Bank Unit in Bintulu Hospital. The blood donation campaign was held at the Boulevard Shopping Mall in Bintulu, where 100 individuals donated blood.



The blood donation campaign at Boulevard Shopping Mall, Bintulu

PILLAR 4: ENVIRONMENT

We strive to contribute to environmental conservation by raising awareness on critical issues such as e-waste and the importance of the 3Rs (Reduce, Reuse & Recycle), through green initiatives organised to engage with our employees and the communities in areas where we operate.

Environment Week 2022

A Group-wide Environmental Week was organised for our employees from 24 to 26 November 2022, to heighten awareness on the importance of protecting the environment via disposing of e-waste responsibly. Various activities were rolled out for BPHB employees and their families including a Kids' Colouring Contest and Fashion Show, a Sculpture Design Competition using recycled materials, an e-Waste Collection Drive and a Mini Street Food Festival.



Activities during the Environment Week 2022

SIPSB Go Green Environment Campaign 2022

On 7 July 2022, a Go Green Environment Campaign was conducted by SIPSB in conjunction with World Environment Day. The campaign highlights included beach-cleaning activities, tree-planting with Jabatan Alam Sekitar and Forest Department Sarawak, a cycling challenge and a CSR programme that supplied cash and hampers to students.



The plogging Beach Cleaning by SIPSB






UTAP 'Do It Right' Campaign

The Group's Internal Audit and Group Corporate Planning and Development departments executed a campaign to distribute reusable lunchbox sets to encourage employees to reduce their use of single-use plastics. The initiative was part of the UTAP Transformation Journey's 'Do It Right' Campaign.



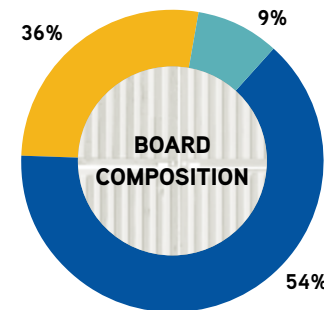
The UTAP "Do It Right" Campaign

THE BOARD AT A GLANCE

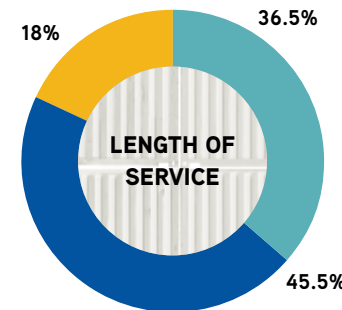
<p>Non-Independent Non-Executive Chairman</p>  <p>DATO' ABDUL MUTALIB BIN ALIAS</p>	<p>Non-Independent Non-Executive Director</p>  <p>DATUK JOHAN BIN MAHMOOD @ JOHAN MAHMOOD MERICAN</p>	<p>Non-Independent Non-Executive Director</p>  <p>DATO SRI FONG JOO CHUNG</p>
<p>Non-Independent Non-Executive Director</p>  <p>TAN SRI DATUK AMAR MOHAMAD MORSHIDI BIN ABDUL GHANI</p>	<p>Non-Independent Non-Executive Director</p>  <p>PUAN HASMAWATI BINTI SAPAWI</p>	

OUR BOARD

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





- Non-Independent Non-Executive Chairman – 1
- Non-Independent Non-Executive Director – 6
- Independent Non-Executive Director – 4



- Less than 5 years – 4
- 5 to 10 years – 5
- More than 10 years – 2

THE BOARD AT A GLANCE

<p>Non-Independent Non-Executive Director</p>  <p>DATUK NASARUDIN BIN MD IDRIS</p>	<p>Independent Non-Executive Director</p>  <p>DATO' SRI MOHAMED KHALID BIN YUSUF @ YUSUP</p>	<p>Independent Non-Executive Director</p>  <p>DATUK NOZIRAH BINTI BAHARI</p>
<p>Non-Independent Non-Executive Director</p>  <p>ENCIK MOHAMED SYAZWAN BIN ABDULLAH @ LAGA</p>	<p>Independent Non-Executive Director</p>  <p>DATUK (DR.) YASMIN BINTI MAHMOOD</p>	<p>Independent Non-Executive Director</p>  <p>(DR.) SALIHIN BIN ABANG</p>

DECLARATION BY THE BOARD:

- Family relationship with any Director and/or Major Shareholder of Bintulu Port Holdings Berhad: None of the Directors has any family relationship with any Director and/or Major Shareholder of Bintulu Port Holdings Berhad.
- Conflicts of interest with Bintulu Port Holdings Berhad: Save as disclosed below, none of the Directors has any conflict of interest with Bintulu Port Holdings Berhad.
- Conviction for offences, other than traffic offenses, within the past five years and any public sanction or penalty imposed by the relevant regulatory bodies during the Financial Year under review: Other than traffic offences, none of the Directors has been convicted of any offences within the past five years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the Financial Year under review.

WHO GOVERNS US

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

DATO' ABDUL MUTALIB BIN ALIAS

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

Chairman



Dato' Abdul Mutalib Bin Alias was appointed as Non-Independent Non-Executive Chairman on 1 May 2021.

QUALIFICATIONS

- Bachelor of Science (Hons) in Accounting, Northern Illinois University, DeKalb, Illinois, USA, 1983
- Master in Business Administration (MBA), Governors State University, University Park, Illinois, USA, 1985

CAREER EXPERIENCE

- 2013-2019: Chief Executive Officer, PR1MA Corporation Malaysia
- 2012-2013: Chief Executive Officer, PR1MA Berhad
- 2009-2011: Special Officer to the Minister of Works, Ministry of Works Malaysia
- 2004-2008: Political Secretary to the Minister of Science, Technology & Innovation, Ministry of Science, Technology & Innovation Malaysia
- 2000-2004: Political Secretary to the Minister of Finance, Ministry of Finance Malaysia
- 1994-2000: Vice President, Investment Banking, Chase Manhattan Bank (M) Sdn. Bhd.
- 1985-1994, Various positions, Chase Manhattan Bank (M) Sdn. Bhd.

OTHER DIRECTORSHIPS

Public companies:

- Nil

WHO GOVERNS US

DATUK JOHAN BIN MAHMOOD @ JOHAN MAHMOOD MERICAN

Non-Independent Non-Executive Director
- Board Member, Bintulu Port Holdings Berhad
- Board Member, Samalaju Industrial Port Sdn. Bhd.

RC



Datuk Johan bin Mahmood @ Johan Mahmood Merican was appointed to the Board on 1 June 2022.

QUALIFICATIONS

- Bachelor's Degree in Economics (First Class), Cambridge University, United Kingdom, 1994
- Associate Chartered Accountant, Institute of Chartered Accountants in England and Wales, London, 1998

CAREER EXPERIENCE

- 2023-Present: Secretary General of Treasury, Ministry of Finance
- 2022-2023: Deputy Secretary General of Treasury (Policy), Ministry of Finance
- 2018-2022: National Budget Director, Ministry of Finance
- 2016-2018: Deputy Director, Economic Planning Unit (EPU), Prime Minister's Department
- 2011-2016: Chief Executive Officer, Talent Corporation Malaysia Berhad

OTHER DIRECTORSHIPS

Listed entities:

- Nil

WHO GOVERNS US

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

TAN SRI DATUK AMAR MOHAMAD MORSHIDI BIN ABDUL GHANI

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Bintulu Port Sdn. Bhd.

Member



M
67
G
11/11

Length of Service: 8 years 3 months

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, 1979
- Master of Science in Human Resource Administration, University of Scranton, Pennsylvania, USA, 1998
- Senior Executive, Fellows Program, 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's Minister Department; the 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

WHO GOVERNS US

DATO SRI FONG JOO CHUNG

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Chairman, Bintulu Port Sdn. Bhd.

NRC



M
73
G
11/11

Length of Service: 18 years 6 months

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

WHO GOVERNS US

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

PUAN HASMAWATI BINTI SAPAWI

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Samalaju Industrial Port Sdn. Bhd.

FIC



54
 10/11

Length of Service: 1 year 7 months

Puan Hasmawati binti Sapawi was appointed as Non-Independent Non-Executive Director on 1 August 2021.

QUALIFICATIONS

- Bachelor of Arts (Hons) Economics, Concordia University, Montreal, Canada, 1992
- Master of Business Administration, Monash University, Melbourne, Australia, 1997
- Master of Environment Management Development (Development Planning), University of Malaysia Sarawak (UNIMAS), Kota Samarahan, Sarawak, 2000

CAREER EXPERIENCE

- 2021-present : Deputy State Financial Secretary, State Financial Secretary's Office
- 2008-2021: Director, Corporate Services & Investment, State Financial Secretary's Office
- 2007: Acting Director, Corporate Affairs Division, State Financial Secretary's Office
- 2006: Principal Assistant Secretary, Corporate Affairs Division, State Financial Secretary's Office
- 2002-2005: Senior Manager, Corporate Planning Division, Pelita Holdings Sdn. Bhd.
- 1992-2001: Economist, Investment Division, Land Custody & Development Authority (PELITA)

OTHER DIRECTORSHIPS

Listed entities:

- Sarawak Plantation Berhad
- Sarawak Oil Palms Berhad
- Dayang Enterprise Holdings Berhad

Public companies:

- Amanah Saham Sarawak Berhad

WHO GOVERNS US

DATUK NASARUDIN BIN MD IDRIS

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Chairman, Samalaju Industrial Port Sdn. Bhd.

FIC



67
 11/11

Length of Service: 12 years 7 months

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 Program, Stanford University, USA, 2000

CAREER EXPERIENCE

- 2010-2014: President and Chief Executive Officer, MISC Berhad, a subsidiary of PETRONAS
- 2004-2010: Board Member, PETRONAS
- 1978-2010: Various senior positions, PETRONAS Group

OTHER DIRECTORSHIPS

Listed entities:

- MISC Berhad
- Malaysian Marine and Heavy Engineering Holdings Berhad

WHO GOVERNS US

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

ENCIK MOHAMED SYAZWAN BIN ABDULLAH @ LAGA

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Bintulu Port Sdn. Bhd.

AC



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59



10/11

Length of Service: 1 year 8 months

Encik Mohamed Syazwan bin Abdullah @ Laga was appointed as a Non-Independent Non-Executive Director on 1 July 2021.

QUALIFICATIONS

- Bachelor of Science in Chemical Engineering and Petroleum Refining, Colorado School of Mines, Golden, Colorado, USA

CAREER EXPERIENCE

- 2019-Present: Managing Director & Chief Executive Officer, Malaysia LNG Group of Companies
- 2017-2019: Head (Projects) – VP LNG Asset Office
- 2016-2017: Start-up Manager, PETRONAS Floating LNG Satu
- 2013-2015: Start-up Manager – Gladstone LNG, Curtis Island, Queensland, Australia
- 2011-2012: LNG Plant Supply Chain & Commissioning Advisor – Gladstone LNG, Brisbane, Australia
- 2006-2010: General Manager – Operations, Malaysia LNG Sdn. Bhd.
- 2004-2006: Senior Manager – Operations, PETRONAS Fertilizer (Kedah) Sdn. Bhd.
- 2000-2004: Production Manager – PETRONAS Ammonia Sdn. Bhd.
- 1998-1999: Commissioning & Start-up Manager (Ammonia/Methanol/Utility), PETRONAS Fertilizer (Kedah)
- 1997-1998: Manager – Urea/Offsites, Asean Bintulu Fertiliser Sdn. Bhd.

OTHER DIRECTORSHIPS

- Nil

WHO GOVERNS US

DATO' SRI MOHAMED KHALID BIN YUSUF @ YUSUP

Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Chairman, Samalaju Industrial Port Sdn. Bhd.

RC **NRC**



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70



11/11

Length of Service: 8 years 2 months

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 Management), University of Scranton, Pennsylvania, USA, 1993

CAREER EXPERIENCE

- 2021-Present: Non-Executive Director of SEDC-Gafung Sdn. Bhd.
 - downstream business activities related to petroleum products and services
- 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

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

DATUK (DR.) YASMIN BINTI MAHMOOD

Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Biport Bulkers Sdn. Bhd.

AC **RC**



F
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G
10/11

Length of Service: 8 years 2 months

Datuk (Dr.) 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
- Honorary Doctorate in Management, UNITAR International University, 2022

CAREER EXPERIENCE

- Present: Chair, Board of Directors, Heriot-Watt University Malaysia
- Present: Chairman, Skymind Holdings Berhad
- 2019-Present: Chief Executive Officer, FutureReady Consulting Sdn. Bhd.
- 2019-March 2021: Chairman, POS Malaysia Berhad
- 2014-2019: Chief Executive Officer, Malaysia Digital Economy Corporation (MDEC)
- 2010-2014: Executive Director, YTL Communication 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

Listed entities:

- UMW Holdings Berhad

Public companies:

- MIDF Berhad

WHO GOVERNS US

DATUK NOZIRAH BINTI BAHARI

Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Biport Bulkers Sdn. Bhd.

NRC



F
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G
11/11

Length of Service: 8 years 2 months

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 Program, 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
- 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

WHO GOVERNS US

COMMITTEE MEMBERSHIP KEY:

Chairman **Member** **AC** Audit Committee **RC** Risk Committee **NRC** Nomination and Remuneration Committee **FIC** Finance and Investment Committee

(DR.) SALIHIN BIN ABANG

Independent Non-Executive Director

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

AC



M

50



11/11

Length of Service: 5 years 1 month

(Dr.) Salihin bin Abang was appointed as an Independent Non-Executive Director on 1 February 2018.

QUALIFICATIONS

- Bachelor of Accounting (Hons), Universiti Islam Antarabangsa, Malaysia, 1997
- 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)
- Qualified Risk Director, Institute of Enterprise Risk Practitioners (IERP®)

CAREER EXPERIENCE

- 2023: Director, Hornbill Skyways Sdn Bhd
- 2021-Present: Independent Non-Executive Director, Chairman of Board Audit Committee, Boustead Plantation Berhad
- 2021-Present: Adjunct Professor, Faculty of Business and Economy (UNIMAS)
- 2021-Present: Member of University Risk Management Committee, IIUM
- 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
- 2018-2022: Adjunct Professor, Tunku Puteri Intan Safinaz School of Accountancy (UUM), 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 International Accountant, Association of International Accountants (FAIA, UK)
- Fellow Member, Chartered Tax Institute of Malaysia (FCTIM)
- Certified Financial Planner (CFP), Financial Planning Association of Malaysia (FPAM)
- Professional Member, Institute of Management Accountants (IMA, USA)

OTHER DIRECTORSHIPS

Listed entities:

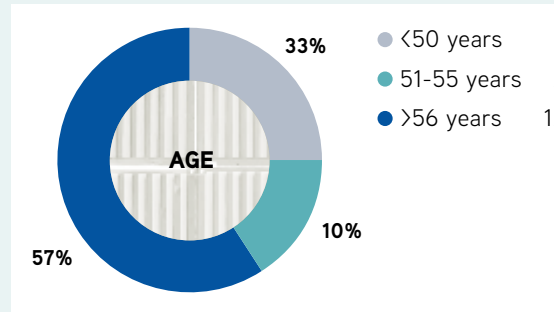
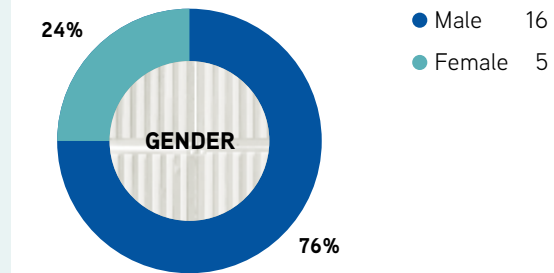
- G3 Global Berhad
- Boustead Heavy Industries Corporation Berhad
- Boustead Plantations Berhad

WHO LEADS US

OUR LEADERSHIP

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

Management Team Composition



BPHB Bintulu Port Holdings Berhad

BPSB Bintulu Port Sdn. Bhd.

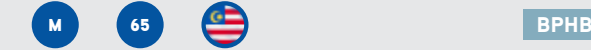
BBSB Biport Bulkiers Sdn. Bhd.

SIPSB Samalaju Industrial Port Sdn. Bhd.



DATO MOHAMMAD MEDAN BIN ABDULLAH

Group Chief Executive Officer



BPHB

Dato Mohammad Medan Abdullah served as the Group Chief Executive Officer of Bintulu Port Holdings Berhad (BPHB) for the period 1 March 2017 until 28 February 2023.

Qualifications

- Bachelor of Law (Hons), University of Malaya, 1982
- Advanced Management Program, Wharton Business School, University of Pennsylvania, 2007

Career Experience

- 2013-2016: Managing Director and President (Asia Pacific), Gazprom Marketing & Trading Pte Ltd
- 2010-2013: Senior General Manager, Group Corporate Affairs Division (PETRONAS Group)
- 2007-2010: Chief Executive Officer, Malaysia LNG
- 1990-2007: Various senior positions in PETRONAS and PETRONAS Carigali
- 1988-1990: Legal Adviser, Baram Delta Operations
- 1983-1988: Legal Officer, PETRONAS Carigali Sdn Bhd
- 1982: Trainee Legal Officer, PETRONAS

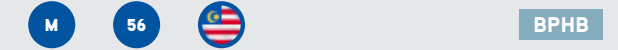
Directorships in other public-listed/public companies

- Handal Resources Berhad
- Petroleum Sarawak Berhad (PETROS)



RUSLAN BIN ABDUL GHANI

Group Chief Executive Officer Designate



BPHB

Ruslan bin Abdul Ghani was appointed as Group Chief Executive Officer Designate of Bintulu Port Holdings Berhad (BPHB) effective 1 September 2022 and subsequently as Group Chief Executive Officer, BPHB, effective 1 March 2023.

Qualifications

- Master of Science in Engineering Business from University of Warwick (United Kingdom), 2003

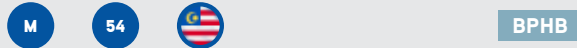
Career Experience

- 2021-2022: Senior General Manager, PETRONAS Carigali Sdn Bhd
- 2019-2021: Chief Executive Officer, PETRONAS Carigali (Turkmenistan) Sdn Bhd
- 2017-2018: Senior General Manager, Production and Operations Management, PETRONAS Malaysia Petroleum Management
- 2014-2017: Senior General Manager, Region Head, PETRONAS Carigali Sdn Bhd Peninsular Malaysia Operations
- 2010-2014: General Manager, Field Operations, PETRONAS Iraq Garraf Limited; Senior Manager, Production and Operations, PETRONAS Iraq Garraf Limited
- 2007-2010: Senior Manager, Production, PETRONAS Carigali Sdn Bhd Sabah Operations; Field Operation Manager, PETRONAS Carigali Sdn Bhd Sabah Operations
- 2002-2007: Offshore Installation Manager, PETRONAS Carigali Sdn Bhd Sarawak Operations; Senior Operational and Performance Improvement Executive, PETRONAS Carigali Sdn Bhd Sarawak Operations ; Senior Maintenance Supervisor, PETRONAS Carigali Sdn Bhd Sarawak Operations
- 1999-2002: Senior Maintenance Supervisor, Greater Nile Petroleum Operating Company
- 1990-1999: Senior Joint Venture Engineer, PETRONAS Carigali Sdn Bhd Sarawak Operations; Senior Mechanical Engineer, PETRONAS Carigali Sdn Bhd Sarawak Operations; Senior Technical Documentation Executive, PETRONAS Carigali Sdn Bhd Sarawak Operations; Facilities/Project Engineer, PETRONAS Carigali Sdn Bhd Sarawak Operations

WHO LEADS US

**ROSLI BIN IDRIS**

Company Secretary



Rosli bin Idris was appointed as Company Secretary of Bintulu Port Holdings Berhad (BPHB) on 1 January 2020. He is responsible for Company Secretarial functions, advising the Directors and Management pertaining to Company Secretarial matters in order to ensure compliance and good governance.

Qualifications

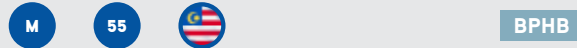
- Bachelor of Accountancy (Hons), Universiti Teknologi MARA, 1994
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2014
- Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Career Experience

- 2014-2019: Senior Manager, Finance, Human Resource & Administration, SIPSB
- 2011-2013: Head of Finance Services, Samalaju Port Management Unit, BPSB
- 2011: Manager, Management Accounting, BPSB
- 2009-2010: Assistant Manager, Finance & Administration, IOT Management Sdn Bhd
- 2005-2008: Management Accountant, BPSB
- 1996-2004: Executive Treasury, BPSB
- 1994-1996: Project Accountant, PPES Oil & Gas Sdn Bhd

**HASMADI BIN ZAMHARI**

Senior Manager, Group Internal Audit



Hasmadi Bin Zamhari was appointed as Senior Manager, Group Internal Audit of Bintulu Port Holdings Berhad (BPHB) effective 3 January 2023. He is responsible for providing independent and objective assurance reviews to the Board of Directors, Audit Committee and Management that the company's risk management, governance and internal control are operating effectively.

Qualifications

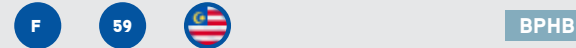
- Bachelor of Arts (Hons) in Accountancy, The University of Bolton, UK, 2004
- Part qualified Association of Chartered Certified Accountants (ACCA) Professional Qualification – Pt II

Career Experience

- 2019-2021: Finance Manager, Operation Services, PETRONAS Carigali Sdn Bhd, Sarawak Oil Operations
- 2018: Senior Executive, Gas Billing, PETRONAS Carigali Sdn Bhd, Sarawak Gas Operations
- 2017-2018: Senior Accountant, Joint Interest Billing & Cost Allocation, DAR Petroleum Operating Company, South Sudan
- 2014-2017: Executive, Budget & Performance Reporting, PETRONAS Carigali Nile Ltd, Country Office
- 2014: Executive, Budget & Performance Reporting – OPEX, PETRONAS Carigali Sdn Bhd, Sarawak Operations
- 2013: Executive, Budget & Performance Reporting – CAPEX, PETRONAS Carigali Sdn Bhd, Sarawak Operations
- 2008-2013: Executive, Budget & Performance Reporting – Operation Services, PETRONAS Carigali Sdn Bhd, Sarawak Operations
- 1999-2008: Account Supervisor II, Finance & Accounts Department, PETRONAS Carigali Sdn Bhd, Sarawak Operations
- 1996-1999: Senior Budget Clerk (OPEX), Finance & Accounts Department, PETRONAS Carigali Sdn Bhd, Sarawak Operations
- 1995-1996: Accounts Clerk, Fixed Assets/Project Accounting, PETRONAS Carigali Sdn Bhd, Baram Delta Operations
- 1993-1995: Senior Budget Clerk (CAPEX), PETRONAS Carigali Sdn Bhd, Baram Delta Operations
- 1989-1993: Account Supervisor, General Ledger, PETRONAS Carigali Sdn Bhd, Baram Delta Operations

**DAIANA LUNA SUIP**

Group Chief Financial Officer



Daiana Luna Suip assumed the position of Group Chief Financial Officer of Bintulu Port Holdings Berhad (BPHB) on 29 November 2021. 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.

Qualifications

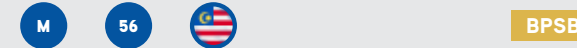
- Advanced Diploma in Accountancy, Institut Teknologi MARA, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012
- Master of Business Administration, University of Sunderland, 2018
- Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Career Experience

- 2016-2021: General Manager, Group Finance, BPHB
- 2014-2016: Assistant General Manager, Group Finance, BPHB
- 2011-2013: Senior Manager, Finance Division, BPSB
- 2008-2011: Manager, Group Accounts, BPSB
- 2006-2008: Manager, Financial Accounting, BPSB
- 1994-2006: Financial Accountant and Group Accountant, BPSB
- 1993-1994: Audit Executive, BPSB
- 1991-1993: Audit Assistant, Arthur Andersen

**MATSHALLEH BIN MOHAMAD ETLI**

Chief Operating Officer



Matshalleh bin Mohamad EtlI assumed the position of Chief Operating Officer of Bintulu Port Sdn Bhd (BPSB) on 1 January 2022 and is responsible for the day-to-day operations of BPSB. He reports directly to the Group Chief Executive Officer.

Qualifications

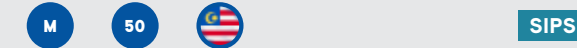
- Bachelor of Science in Housing, Building and Planning, Universiti Sains Malaysia, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- 2016-2021: Chief Operating Officer, SIPSB
- 2014-2016: Acting Chief Operating Officer, SIPSB
- 2011-2014: Head, Operations and Stakeholders Relations, Samalaju Industrial Port Sdn Bhd
- 1993-2009: Various positions in BPSB
- 1991-1993: Fire Superintendent, BPA

**EIZAM BIN ISMAIL**

Chief Operating Officer



Eizam bin Ismail assumed the position of Chief Operating Officer of Samalaju Industrial Port Sdn Bhd (SIPSB) on 1 January 2022. He is responsible by providing leadership and direction for the implementation and management of strategies for SIPSB's business, project planning as well as day to day operations. He reports directly to the Group Chief Executive Officer.

Qualifications

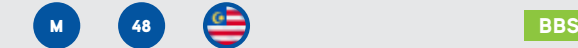
- Bachelor of Business Administration in Transport, Universiti Teknologi MARA, 1996
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2015

Career Experience

- 2018-2021: General Manager, Group Corporate Planning & Development, BPHB
- 2012-2018: Manager, Marketing & Customer Service, BPSB; then Senior Manager, Corporate Planning, BPHB
- 2002-2012: Executive, Corporate Marketing (under the Chief Executive Officer's Office), Executive, Marketing & Business Development and Executive, Marketing (Containerised) in the Corporate Development Division, BPSB
- 1999-2002: Associate Consultant on various port and shipping consultancy projects in Southeast Asia

**WAN MOHAMAD ZAIDI BIN WAN KADIR**

Acting Chief Operating Officer



Wan Mohamad Zaidi bin Wan Kadir assumed the position of Acting Chief Operating Officer of Biport Bulkers Sdn. Bhd. (BBSB) on 1 January 2022. He is responsible for the implementation and management of the strategies for BBSB's business. He reports directly to the Group Chief Executive Officer.

Qualifications

- Bachelor of Science (Hons) in Industrial Chemistry, Universiti Malaysia Sabah, 1999
- Associate Member of Institut Kimia Malaysia since 2004
- Leadership Principles by Harvard Business School, 2021

Career Experience

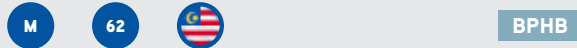
- 2018-2021: Senior Manager, Operation Division, BBSB
- 2013-2018: Manager, Operation Division, BBSB
- 2005-2013: Chemist, Laboratories, BBSB
- 2004: Chemist, BPSB
- 2000-2004: Chemist Surveyor, ITS Testing Services (M) Sdn. Bhd.

WHO LEADS US

WHO LEADS US

**SULAIMAN BIN BUJANG AWI**

Project Director



BPHB

Sulaiman Bin Bujang Awi was appointed as Project Director of Bintulu Port Holdings Berhad (BPHB) effective 1 December 2022. He is responsible for overseeing the Project Development Plan (PDP) and other major improvement projects in the BPHB Group of Companies.

Qualifications

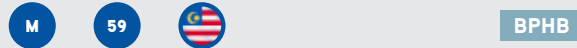
- International Project Management Certification, University of Melbourne, Australia, 2013
- Diploma in Business Management, Institut Teknologi MARA, 1987

Career Experience

- 2021-2022: Chief Operating Officer, Selpump Machineries Sdn Bhd
- 2017-2021: Chief Financial Officer, Smart Tech Tank (STT) Sdn Bhd
- 2014-2016: Senior General Manager, Business Continuity Management (BCM), Group Risk Management, PETRONAS
- 2012-2013: General Manager, Shared Materials & Services Organization (SMSO), Group Supply Chain Management Division, Kerteh East Coast Region Operations, Terengganu
- 2009-2012: General Manager, Supply Chain Management Department, PETRONAS Carigali Iraq Holding BV, Garraf Operations, Dubai, United Arab Emirates
- 2007-2009: Senior Manager, Materials Management & Logistics, PETRONAS Carigali Sdn Bhd
- 2004-2007: Project Manager/Logistics Manager, PETRONAS Carigali Ethiopia Operations
- 2003-2004: Planning Manager, Development Division, PETRONAS Carigali Sdn Bhd, PETRONAS Twin Towers, KLCC
- 1999-2003: Head, Materials & Logistics, PETRONAS Carigali Sudan Operations
- 1999: Head, Admin & Public Affairs, PETRONAS Carigali Sarawak Operations
- 1996-1999: Senior Contracts Analyst, Petroleum Management Unit, Miri
- 1993-1996: Head, Malaysianization Unit, Petroleum Management Unit, Miri
- 1988-1992: Management Executive, Finance Department, Exploration & Production, PETRONAS Miri

**BAHARIN BIN OSMAN**

General Manager, Group Procurement



BPHB

Baharin Bin Osman was appointed as General Manager, Group Procurement of Bintulu Port Holdings Berhad (BPHB) effective 5 January 2023. He is responsible for Procurement Management activities and the implementation of appropriate cost control on procurement to achieve corporate performance objectives and maximise the Group's profitability.

Qualifications

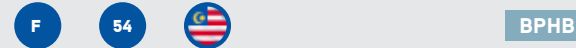
- Bachelor of Science (Mechanical Engineering), Universiti Kebangsaan Malaysia, 1989

Career Experience

- 2020-2021: General Manager, Group Procurement for PETRONAS Sarawak Asset, Downstream & Upstream subsidiaries
- 2017-2019: General Manager, Group Procurement for PETRONAS Sarawak, Sabah & Labuan Assets, Downstream subsidiaries
- 2016-2017: Head of Central Engineering, Malaysia LNG Sdn Bhd
- 2011-2016: Head of Engineering, PETRONAS Train 9 LNG Project
- 2009-2011: Head of Engineering, MLNG Dua Debottlenecking Project
- 2008-2009: Senior Manager, Mechanical Division, Malaysia LNG Sdn Bhd
- 2006-2008: Manager, Field Maintenance, Malaysia LNG Sdn Bhd
- 2003-2005: Head, Turbo Machinery Department, Contract Holder for Long Term Service Agreement with GE with contract value of USD120 million
- 1999-2003: Senior Engineer, Malaysia LNG Tiga Project, including as Resident Engineer in Florence, Italy (1999-2002) managing Rotating Equipment packages at General Electric (GE) office
- 1989-1998: Holdings various positions as Engineer/Senior Engineer in Malaysia LNG Sdn Bhd

**DAYANG FAIZAH BINTI AWANG BUJANG**

General Manager, Group Legal Counsel



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

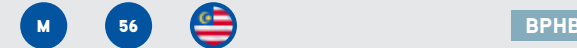
- Bachelor of Laws (Hons), International Islamic University, Malaysia, 1992
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- 2014-2017: 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

**SAFUAN BIN YAK JAMAIN**

General Manager, Group Maintenance & Reliability



BPHB

Safuan Bin Yak Jamain was appointed as General Manager, Group Maintenance & Reliability of Bintulu Port Holdings Berhad (BPHB) effective 1 December 2022. He is responsible for the development of comprehensive maintenance philosophy, strategy and procedures, and drives the full implementation of the Maintenance Management System (MMS) in the BPHB Group of Companies.

Qualifications

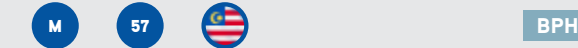
- Bachelor of Electrical Engineering, Clarkson University, Potsdam, New York, USA, 1989

Career Experience

- 2018-2021: Senior Manager, Reliability Management, PETRONAS Carigali, Sarawak Oil
- 2015-2018: Manager, Reliability & Integrity Assurance, PETRONAS Carigali, Garraf Operations, Republic of Iraq
- 2007-2015: Manager, Planning & Control, PETRONAS Carigali, Sabah Operations; Manager, Maintenance Strategy & Planning, PETRONAS Carigali, Sabah Operations
- 1999-2007: Operations Executive, PETRONAS Dagangan; Technical Services Engineer, PETRONAS Dagangan
- 1991-1999: Instrument & Systems Engineer, PETRONAS Carigali, Baram Delta Operations
- 1990-1991: Control Engineer, Sarawak Electricity Supply Corporation

**RAMZI BIN SHAFIEE**

General Manager, Group Information Technology



BPHB

Ramzi bin Shafiee assumed the position of General Manager, Group Information Technology of BPHB on 1 January 2023. 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

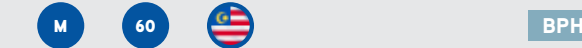
- Bachelor of Applied Science (Hons) (Mathematical Calculation & Computer Aided Geometry Design - CAGD), Universiti Sains Malaysia, 1992
- Leadership Principles by Harvard Business School, 2021

Career Experience

- 2021-2022: Acting General Manager, Group Information Technology
- 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

**ABDANI BIN ABDUL GAFOR**

General Manager, Group Health, Safety & Environment



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 maintaining 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

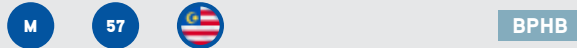
- 2008-2017: Manager, Safety & Emergency; then Senior Manager, Health, Safety & Environment, BPSB
- 1993-2008: Electrical Engineer, Technical Services Division; then Manager, Safety & Emergency and Manager, Mechanical & Electrical, Technical Services Division, BPSB
- 1991-1992: Electrical Engineer, BPA

WHO LEADS US

WHO LEADS US

**IKUM ANAK USAT**

General Manager, Group Business Performance



BPHB

Ikum Anak Usat was appointed as General Manager, Group Business Performance of Bintulu Port Holdings Berhad (BPHB) effective 3 January 2023. He is responsible for analysing the Group's operational performance and the management of the Group's business performance in supporting the Group's strategies and objectives.

Qualifications

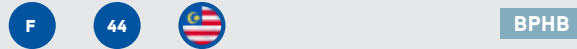
- Bachelor in Mechanical Engineering, Institut Teknologi MARA, 1989

Career Experience

- 2021-2018: Field Manager, NC3/NC8/Kasawari (Senior Manager), Production Department, Sarawak Gas Operation, PETRONAS Carigali Sdn. Bhd.
- 2017-2018: Head Operation Planning (Senior Manager), Production Department, PETRONAS Carigali Hess Sdn. Bhd.
- 2010-2016: Head Operation Planning (Senior Manager), Production Department, PETRONAS Carigali Iraq Holding BV
- 2007-2010: Offshore Installation Manager (Platform Superintendent), Production Department, Sarawak Operation, PETRONAS Carigali Sdn. Bhd.
- 2006-2007: Head, Production Planning (Manager), Production Department, Sarawak Operation, PETRONAS Carigali Sdn. Bhd.
- 2005-2006: Manager, Asset Planning, North Asset Department, Sarawak Operation, PETRONAS Carigali Sdn. Bhd.
- 2003-2005: Planning Manager, Project Management, PETRONAS Carigali Sdn. Bhd.
- 1999-2003: Senior Planner, Greater Nile Petroleum Operating Co. Ltd (GNPOC)
- 1998-1999: Head of Integrated Operation Planning, PETRONAS Carigali Sdn. Bhd., Sarawak Operation (SKO)
- 1997-1999: Senior Integrated Operation Planning, PETRONAS Carigali Sdn. Bhd., Sarawak Operation (SKO)
- 1995-1997: Integrated Production Planner, PETRONAS Carigali Sdn. Bhd., Sarawak Operation (SKO)
- 1992-1995: Production Planner, PETRONAS Carigali Sdn. Bhd., Sarawak Operation (SKO)
- 1991-1992: System Data Engineer, PETRONAS Carigali Sdn. Bhd., Sarawak Operation (SKO)
- 1991: Process/Mechanical Engineer, PETRONAS Gas Sdn. Bhd.

**ESTHER LU NOI YAN**

Acting General Manager, Group Corporate Planning and Development



BPHB

Esther Lu Noi Yan assumed the position of Acting General Manager, Group Corporate Planning & Development on 1 January 2022. She is responsible for the implementation of Group-wide strategies and plans on business development, enterprise risk management and marketing functions.

Qualifications

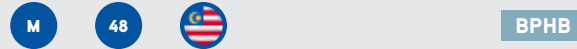
- Bachelor of Science (Major in Chemistry and Biology) Campbell University, Buies Creek North Carolina, U.S.A. (Tunku Abdul Rahman University College), 2002
- Leadership Principles by Harvard Business School, 2022

Career Experience

- 2019-2021: Senior Manager, Marketing & Customer Services, Group Corporate Planning & Development, BPHB
- 2015-2019: Manager, Marketing & Customer Services, Group Corporate Planning & Development, BPHB
- 2008-2015: Executive, Customer Services, Corporate Planning & Development Division, BPSB
- 2007-2008: Shipping Executive, Destiny Shipping Agencies, Sdn. Bhd
- 2004-2007: Senior Recruitment Consultant/Branch Manager, Agensi Pekerjaan GMP (M) Sdn. Bhd. & Agensi Bright Prospect Sdn. Bhd.
- 2002-2004: Quality Assurance Analyst, Glaxo Smith Kline Consumer Healthcare Sdn. Bhd.

**HERWAN BIN RAMELAN**

Acting General Manager, Group Human Resources Management



BPHB

Herwan bin Ramelan assumed the position of Acting General Manager, Group Human Resource Management effective 8 August 2022. 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

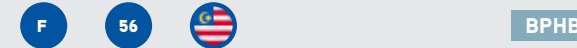
- Bachelor of Science (Human Resource Development), Universiti Malaysia Sarawak (UNIMAS), 1999

Career Experience

- 2016-2022: Manager, Performance, Group Human Resource Management, BPHB
- 2014: Assistant Manager, Organisational Development, Human Resource Management Division, BPSB
- 2012: Executive, HR Planning, Human Resource Management Division, BPSB
- 2003: Senior Executive, Human Resource, Sarawak Forestry Corporation Sdn. Bhd.
- 2000: Research Assistant, UNIMAS

**MASLIYAH BINTI HJ. TIOH**

Senior Manager, Group Corporate Services



BPHB

Masliyah 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 office management services.

Qualifications

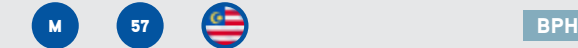
- Bachelor of Arts (Hons) in Mass Communication, Universiti Kebangsaan Malaysia, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

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

**SUPT./AP ELVIS TULU AYU**

Senior Manager, Group Security



BPHB

Superintendent/AP Elvis Tulu Ayu assumed the position of Senior Manager, Group Security, on 1 March 2015. He is responsible to oversee and manages the close coordination of all functions that are concerned with security and continuity within the Group by addressing security uncertainties in achieving the Groups objectives. His responsibility also include to develop and implement security strategies and plans to comply with international and national security regulations and to establish an environment in which trade may be conducted with reasonably assurance of being unencumbered by criminal/terrorist activity.

Qualifications

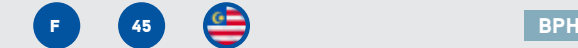
- Diploma in Accountancy, Institute Technology MARA, 1987
- Attended 09 months Regular Police Inspector Training at Pusat Latihan Polis (PULAPOL) Kuala Lumpur, 1992
- Bachelor of Arts in Business Administration, Bolton Institute, United Kingdom, 2004
- Management Development Program, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- 2015-Present: Senior Manager, Group Security, BPHB (covering BPSB, BBSB and SIPSB)
- 2014-2015: Manager, Warehousing, Cargo Handling Division, BPSB
- 2011-2012: Acting Senior Manager, HSE, BPSB
- 2002-2013: Manager, Security, BPSB
- 1998-2001: Executive, Fire, Emergency Services and Security
- 1993-1997: Executive, Security, BPSB
- 1988-1991: Auxiliary Police Inspector, BPA
- 1987-1988: Teaching at Pending Secondary School, Kuching

**LENNYWATI BINTI BUJANG MASLI**

Manager, Group Sustainability



BPHB

Lennywati Bujang Masli assumed the position as Manager, Corporate Sustainability, Group Sustainability on 1 February 2023. She is responsible for developing and overseeing the implementation of the Group's sustainability strategy and initiatives. It includes identifying areas to improve environmental, social and governance performance and developing plans to address those areas.

Qualifications

- Diploma in Business Studies, Institut Teknologi MARA, 1998
- Bachelor of Economics and Business (Hons) in Industrial Economics and Organization, Universiti Malaysia Sarawak (UNIMAS), 2001

Career Experience

- 2021-2023: Manager, Corporate Sustainability, Group Health, Safety and Environment, BPHB
- 2018-2021: Manager, Corporate Sustainability, Group Corporate Planning Division, BPHB
- 2016-2018: Senior Executive, Public Affairs & Investor Relations, Group Corporate Services, BPHB
- 2011-2016: Senior Executive, Investor Relations, Company Secretary Division, BPHB
- 2008-2011: Education Counsellor, IDP Education Pty Ltd
- 2005-2008: Executive, Corporate Communication and Planning, Amanah Saham Sarawak (ASSAR) Bhd
- 2003-2005: Banquet Sales Coordinator, Merdeka Palace Hotel & Suites
- 2002-2003: Full-time Lecturer, SEGi College Sarawak

WHO LEADS US

WHO LEADS US



MUHAMMAD HAFIZ MOHD NOOR

Manager, Compliance & Integrity, Group Integrity & Compliance



BPHB

Muhammad Hafiz Bin Mohd Noor assumed the position as Manager, Compliance & Integrity, Group Integrity & Compliance and Integrity on 1 October 2021.

Qualifications

- Bachelor of Laws with Honours, International Islamic University Malaysia (IIUM), 2008

Career Experience

- 2020-2021: Deputy Public Prosecutor, Attorney General Chambers, Malaysia
- 2019-2020: Director, Sarawak Legal Aid Department
- 2013-2019: Magistrate and Senior Assistant Registrar, Bintulu Court, Sarawak
- 2011-2013: Magistrate, Magistrate Court, Kota Bharu, Kelantan
- 2009-2011: Magistrate, Magistrate Court, Kuala Pilah, Negeri Sembilan
- 2008-2009: Senior Assistant Registrar (Appellate Jurisdiction) High Court, Kuala Lumpur

APPRECIATION TO OUTGOING MANAGEMENT:



AZMEL KHAN ASGHAR KHAN

General Manager, Group Human Resources Management



BPHB

Date of appointment:
23 August 2017

Date of retirement:
07 August 2022



MOHAMAD YACOP BIN MOHAMAD JUNIT

Senior Manager, Group Internal Audit



BPHB

Date of appointment:
1 March 2018

Date of retirement:
31 December 2022

Additional Information on Our Management Team:

- None of the members of our Management Team has any family relationship with any Director and/or Major Shareholder of Bintulu Port Holdings Berhad.
- None of the members of our Management Team has any conflict of interest with Bintulu Port Holdings Berhad.
- None of the members of our Management Team has been convicted of any offences (save for minor traffic offences) within the past five years, nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the Financial Year under review.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION FROM THE CHAIR

Dear stakeholders,

“

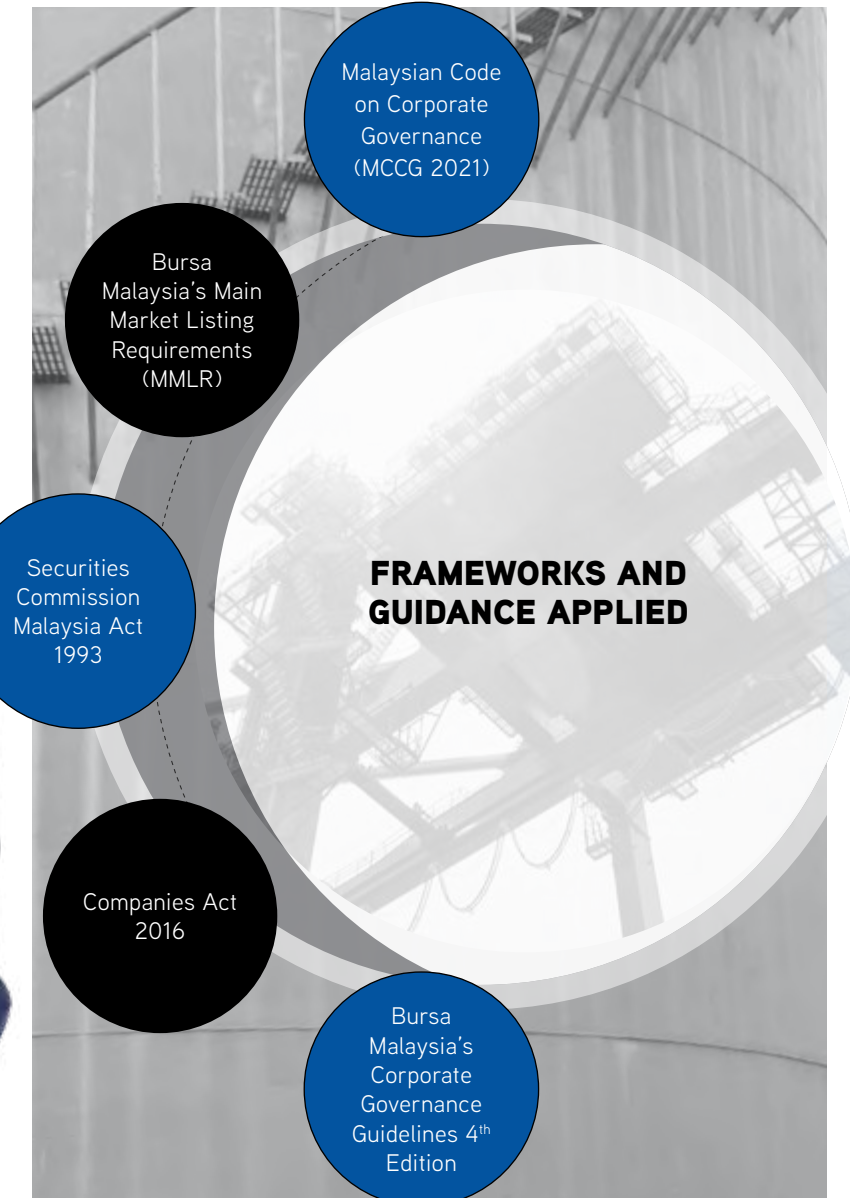
I am pleased to present the Corporate Governance Overview Statement for the year, in which we describe our governance processes, how the Board discharged its responsibilities and provide details on the Board's operations. We are committed to fostering an effective governance framework through policies and procedures that support the Group's core values and underpin our ability to set the Group's overall strategic direction.

”

During the year, we enhanced our governance processes to reflect the new MCCG 2021 guidance. This included enhancing disclosure controls and procedures and updating our terms of reference for Board Committees. Environmental, social and governance (“ESG”) considerations impact everything we do and our goal is for the Group to be a socially and environmentally responsible organisation, with strong governance at the core of how we operate. This section together with the Corporate Governance Report 2022 and the reports from the Audit, Risk and Nomination and Remuneration Committees, provides a description of how the Group has applied the main principles of MCCG 2021 and complied with the relevant provisions.

DATO' ABDUL MUTALIB BIN ALIAS

Chairman



CORPORATE GOVERNANCE OVERVIEW STATEMENT

LEADERSHIP

The Board's primary role is to ensure the Group's long-term, sustainable success by setting the Group's strategic direction, ensuring that strategy is aligned with its purpose and culture, and promoting and protecting our interests for the benefit of all our stakeholders. The Group's governance framework supports the Board in the delivery of the Group's strategy and long-term sustainable success in various ways, as detailed in the following pages. Our Non-Executive Directors play an essential role in this by holding the Management Team to account, ensuring that appropriate progress implementing strategy is being made and that their behaviours and decisions are supportive of the Group's culture and values.

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 FY2022; and
- The recruitment and induction process for new Directors.

For more information please refer to pages 79 to 81.

EFFECTIVENESS

The effective working of the Board is crucial to the long-term prospects and strategic aims of the Group. This is achieved through strong and open working relationships between the Directors and, in particular, the Chairman and Group Chief Executive Officer, whose roles are agreed and set out in writing.

This section details:

- The process of conducting the Board and Directors Effectiveness Evaluation (BDEE) and Individual Directors Evaluation (IDE) for FY2022.

For more information please refer to pages 82 to 84.

ACCOUNTABILITY

We maintained oversight of the Group's financial reporting processes by reviewing the application of financial and accounting policies, challenging the judgements made by Management and the assumptions and estimates that underpinned those judgements. The Board keeps a close eye on future developments, both externally and within the Group, that could have a significant impact on our operations.

This section details:

- The work undertaken by the Audit Committee 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.

For more information please refer to pages 85 to 88.

ENSURING EFFECTIVE ENGAGEMENT WITH OUR STAKEHOLDERS

The Board appreciates that effective stakeholder engagement is essential for the long-term success of the Group. Maintaining good relationships with all of our stakeholders is important to the Board. Engagement has therefore continued as a key theme during the year.

This section details:

- How the Board and individual Directors engaged with stakeholders throughout FY2022; and
- How stakeholders can communicate with the Company.

For more information please refer to pages 89 to 93.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR GOVERNANCE PRACTICES AT A GLANCE

OUR BOARD

For the year under review, details of the Board's attendance at Board and Board Committee meetings are as follows:

Non-Independent Non-Executive Directors		Independent Non-Executive Directors	
	Dato' Abdul Mutalib bin Alias		Dato' Sri Mohamed Khalid bin Yusuf @ Yusuf
	Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani		Datuk (Dr.) Yasmin binti Mahmood
	Dato Sri Fong Joo Chung		Datuk Nozirah binti Bahari
	Datuk Nasarudin bin Md Idris		(Dr.) Salihin bin Abang
	Puan Zakiah binti Jaafar <i>Resigned on 9 March 2022</i>		Datuk Johan Bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i>
	Encik Mohamed Syazwan bin Abdullah @ Laga		Datuk (Dr.) Yasmin binti Mahmood
	Puan Hasmawati binti Sapawi		Datuk Nozirah binti Bahari
	Datuk Johan Bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i>		(Dr.) Salihin bin Abang

COMMITTEES

AUDIT COMMITTEE (AC)	RISK COMMITTEE (RC)	NOMINATION AND REMUNERATION COMMITTEE (NRC)	FINANCE AND INVESTMENT COMMITTEE (FIC)
CHAIRMAN (Dr.) Salihin bin Abang 7/7 MEMBERS Datuk (Dr.) Yasmin binti Mahmood 7/7 Encik Mohamed Syazwan bin Abdullah @ Laga 5/7	CHAIRMAN Datuk (Dr.) Yasmin binti Mahmood 6/6 MEMBERS Dato' Sri Mohamed Khalid bin Yusuf @ Yusuf 6/6 Puan Zakiah binti Jaafar <i>Resigned on 9 March 2022</i> 1/1 Datuk Johan Bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i> 4/4	CHAIRMAN Dato' Sri Mohamed Khalid bin Yusuf @ Yusuf 7/7 MEMBERS Datuk Nozirah binti Bahari 7/7 Dato Sri Fong Joo Chung 7/7	CHAIRMAN Datuk Nasarudin bin Md Idris 1/1 MEMBERS Puan Hasmawati binti Sapawi 1/1 Datuk Johan Bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i> 1/1

108
Board Hours

TENURE

- <1 year: 18% (2)
- 1-5 years: 37% (4)
- 6-10 years: 37% (4)
- >10 years: 9% (1)

GENDER

- Male: 73% (8)
- Female: 27% (3)

AGE

- 40-49 years: 18% (2)
- 50-59 years: 46% (5)
- 60-69 years: 27% (3)
- >70 years: 9% (1)

BINTULU PORT SDN. BHD.

Non-Independent Non-Executive Directors	
Dato Sri Fong Joo Chung Chairman of BPSB	(5/5) 100%
Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani	(5/5) 100%
Encik Mohamed Syazwan bin Abdullah @ Laga	(4/5) 80%

BIPORT BULKERS SDN. BHD.

Independent Non-Executive Directors	
Dato' Sri Mohamed Khalid bin Yusuf @ Yusuf Chairman of BBSB	(5/5) 100%
Datuk (Dr.) Yasmin binti Mahmood	(5/5) 100%
Datuk Nozirah binti Bahari	(5/5) 100%

SAMALAJU INDUSTRIAL PORT SDN. BHD.

Non-Independent Non-Executive Directors	
Datuk Nasarudin bin Md Idris Chairman of SIPSB	(8/8) 100%
Puan Hasmawati binti Sapawi	(6/8) 75%
Puan Zakiah binti Jaafar <i>Resigned on 9 March 2022</i>	(0/1) 0%
Datuk Johan Bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i>	(3/4) 75%
Independent Non-Executive Director	
(Dr.) Salihin bin Abang	(7/8) 87.5%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A SOUND CORPORATE GOVERNANCE STRUCTURE COMMITS THE COMPANY TO HIGH STANDARDS OF BUSINESS ETHICS

The Board is ultimately accountable to our shareholders, and the Directors are responsible for ensuring that management actions are aligned with the Group's and other stakeholder's interests. The Board has approved a governance framework of systems and controls in order to effectively discharge its collective responsibility. This framework supports our Directors' compliance with their duty to promote the success of the Group. The framework, which includes the delegation of specific authorities to the Board's four Committees – the Nomination & Remuneration, Audit, Risk and Finance and Investment Committees, is subject to ongoing review to ensure that it remains fit for purpose. The Terms of Reference of the four Board Committees, which were reviewed during the year, can be found on our website.

Board Composition

Our Board believes the composition of Non-Independent Non-Executive and Independent Non-Executive Directors remains appropriate, having considered the size and nature of the business. In addition, the combination of experiences, 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 the risk of "group think".

Board Independence

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. The independence also helps ensure that there will be no conflict of interest in actions taken and that decisions that are made are in the best interests of the Company. The independence of the Non-Executive Directors is also important 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.

Board Diversity

The Board, together with the assistance of its Nomination and Remuneration Committee (NRC) and Management, is dedicated to ensuring diversity among its members. This encompasses various factors such as age, ethnicity and gender, as well as differences in thought, perspective, knowledge, skill, regional and industry experience, and background. In addition to this, the Board is responsible for creating strategies that align with the objectives of the Board Diversity Policy and overseeing the progress towards achieving these objectives. These efforts will bring in the necessary perspectives, experiences and expertise that are essential for the Board to effectively manage and oversee the Company. As part of its commitment to diversity, the Board is actively working towards achieving its goal of having 30% women directors, which aligns with the country's target for 30% representation of women Directors.

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.

The Board	The Chairman	Non-Executive Directors
	<ul style="list-style-type: none"> Manages and provides leadership to the Board. Acts as a liaison between the Board and the Management through the GCEO and as the communicator for Board decisions where appropriate. Acts as a facilitator during Board meetings. Ensures that the Directors participate in deliberation. Ensures that Board members are given ample opportunity to contribute to the outcomes of the meetings. Provides guidance to the Group and the Board in setting the values, standards and policies of the Group, especially in the development of the Group's strategic directions and safeguarding the interest of its stakeholders. 	<ul style="list-style-type: none"> Support and constructively challenge the GCEO using their broad range of experience and external perspective, ensuring the needs of stakeholders are appropriately considered. Evaluate proposals on strategy. Monitor the implementation of the Group's strategy within its risk and control framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DECISIONS, MATTERS RESERVED FOR THE BOARD AND DELEGATED AUTHORITIES (CONT'D)

Audit Committee (AC)

- Oversees accounting policies, financial reporting practices, business ethics policies and financial position and performance of the Group and the adequacy of related disclosures and financial reporting;
- Evaluates the internal and external audit process and outcomes;
- Reviews conflict of interest situations and related party transactions; and
- Undertakes such other functions as may be determined by the Board from time to time.

Risk Committee (RC)

- Provides guidance in relation to the management of the Group's business risks;
- Provides oversight on the establishment and implementation of the risk management framework, policies and practices;
- Advices the Board on risk-related issues or aspects as requested by the Board or, in the opinion of the Risk Committee, require the Board's attention;
- Reviews the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but are not limited to ensuring the adequacy of the risk management policy to facilitate the implementation of action plans for risk management; and
- Provides oversight on the implementation of compliance and corruption risk framework and policies.

Nomination and Remuneration Committee (NRC)


- Assesses and enhances the effectiveness of the management and organisational structures, frameworks and policies by ensuring that they meet the requirements, purpose and values of the Company and its subsidiary companies (the Group);
- Ensures that the Board comprises individuals with the necessary skills, knowledge and experience for the effective discharge of its responsibilities and to have oversight of all matters relating to corporate governance;
- Assesses and enhances the effectiveness of the Board and Board Committees through the Board Effectiveness Evaluation (the BEE);
- Establishes formal, transparent policies or frameworks for the appointment of the Directors, Group Chief Executive Officer (the GCEO), and key Senior Management of the Company;
- Establishes formal remuneration policies for the Directors, GCEO and Senior Management of the Company;
- Ensures that the remuneration packages are competitive within comparable industry or market standards to support the Group's Mission, Vision and Corporate Values (the GVMCV) as well as to attract, retain and motivate talents; and
- Sets the policy framework and makes recommendations to the Board on all elements of the remuneration package and performance arrangements for the GCEO, Non-Executive Directors and Senior Management of the Group.

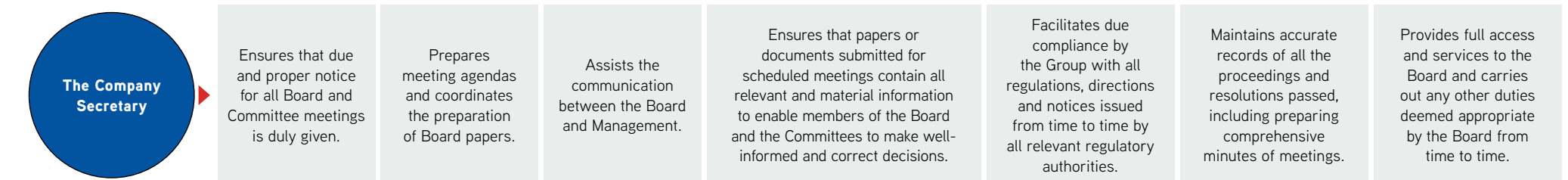
Finance and Investment Committee (FIC)

- Assists the Board of Directors in fulfilling its oversight responsibilities for the financial affairs of the Company and its subsidiaries (collectively referred to as "the Group");
- Facilitates the establishment of sound financial policies and practices by the Board, which will lead to the long-term financial sustainability of the Group; and
- Assists the Board in reviewing investment objectives, strategies, policies and guidelines and to recommend strategic directions in governing the investment activities of the Group to the Board.

Group Chief Executive Officer

- Implements the policies, strategies and decisions of the Board in addition to his responsibilities for the day-to-day operation of the Group's business.
- Enforces compliance with the MCCG, motivating the Group's workforce towards greater productivity and high performance.
- Recognises the importance of human resources.
- Improves employee welfare, health and safety at the workplace.
- Maintains awareness of the competitive market landscape.
- Ensures that the Group maintains a high social responsibility and good work culture in the discharge of everyday duties.

 For further details on Director's profiles, please refer to pages 58 to 68 of this report.



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. The following are the activities undertaken by the Board during the year under review:

- | | | |
|--|---|--|
| <p>1 Deliberating on and approving the Group's Annual Budget;</p> <p>2 Deliberating on and approving the Quarterly and Annual Financial Performance of the Group, including deliberation and approval of the dividend proposal;</p> <p>3 Strategic thinking in navigating the dynamic risk landscape of the business of the Group, based on the approved business plan. This included the Board's deliberation, guidance and endorsement on the Group's Business Plan, Business Response Plan and risk mitigation strategies;</p> <p>4 Deliberating on the Extension of Concession for BPSB;</p> | <p>5 Managing the Group's talent and manpower in relation to the appointment of top and senior management posts, key performance indicators and deliverables of the office;</p> <p>6 Deliberating on the performance assessment of the Board of Directors as an effort and avenue to improve the efficiency of the Board of Directors as a whole;</p> <p>7 Acknowledging the appointment and resignation of members of the Board of Directors;</p> <p>8 Deliberating and approving proposals in relation to the appointment of the Group Chief Executive Officer Designate (GCEOD);</p> | <p>9 Deliberating on the following recommendations related to Human Resources and Corporate Governance matters:</p> <p>a) Succession Planning Policy of BPHB Group;</p> <p>b) Enhancement of the Performance Management System;</p> <p>c) Guiding Principles and Philosophy for the Payment of Performance Bonus to the Employees of BPHB Group; and</p> <p>d) Directors' Fit and Proper Policy;</p> <p>10 Acknowledging the results of the Quality Assurance Improvement Program (QAIP) conducted in 2022; and</p> <p>11 Deliberating and approving the review of Corruption Risk Management (CRM).</p> |
|--|---|--|

BOARD MEETINGS AND SUPPORT

The Board met sufficiently and regularly to discharge its duties effectively and held additional conference calls between the scheduled meetings as and when circumstances required. When a Director was unable to attend a meeting, they were provided with the meeting papers to review so they could provide any comments to the Chairman, Committee Chair or Company Secretary prior to the meeting. Directors are provided with meeting papers approximately one week in advance of each Board or Committee meeting. Members of the Management Committee and other senior management are regularly invited to attend Board meetings to present on their specific area of responsibility. Meetings between the Non-Executive Directors, in the absence of the GCEO, are held on an ad hoc basis to provide the Non-Executive Directors with an opportunity to continually assess the performance of management.

The Board is supported by the Company Secretary and has the necessary policies, processes, information and resources in place to ensure that the Board can function effectively and efficiently. All Directors have access to the advice of the Company Secretary and may seek external professional advice at the expense of the Company in regard to their role with the Group. In order to operate effectively, our Directors must receive accurate, timely and high-quality information. This supports their ability to make sound decisions and provide appropriate advice and constructive criticism. The Company Secretary and his team assist the Chairman and GCEO in ensuring effective information flows and that the Board is provided with all relevant information.

There are procedures in place to ensure that the information the Board receives is presented in an appropriate format and contains the level of detail required for the Directors to fulfil their responsibilities effectively.

SUSTAINABILITY AT OUR CORE

We believe that well-governed businesses, run in a sustainable way, will deliver better overall outcomes for customers and clients, stronger and more resilient returns for shareholders, and long-term benefits for society. That is why we think carefully about the environmental, social and governance (ESG) risks and opportunities associated with the businesses, buildings and infrastructure which we invest in and manage.

However, we consider the key to our long-term sustainability is not just about making a difference with what we do – it is also how we do it. This means being mindful of the way we run our own business, the impact we have on the planet and our communities, and the opportunity we have to influence others through leading by example. Our Sustainability practices are governed ultimately by our Board. It provides oversight and support which drives the Group's sustainability agenda. Implementation of our sustainability initiatives, monitoring, reviewing and assessing progress resides with the Corporate Sustainability Committee (CSC). Chaired by the Group Chief Executive Officer, the CSC is a management-level Committee whose membership includes key management personnel. The Committee is supported by the Corporate Sustainability Department which has an on ground the executional role to implement sustainability initiatives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INDUCTION

To ensure that they are able to effectively contribute to discussions and decision-making, all of our Directors participate in an induction programme on joining the Board. Each induction programme is tailored to provide the individual Director with the necessary knowledge and understanding of the Group, based on their personal experience and background. Where possible, meetings with our key stakeholders will be built into Director induction schedules. In addition, new Board members are required to complete the Mandatory Accreditation Programmes.

DIRECTORS' TRAINING

The Board recognises the importance of ongoing training and our Directors are given the opportunity to update their skills and experience on a regular basis. Any individual development needs are discussed with the Directors at the annual performance evaluation. In order for the Directors to remain aware of business priorities and external developments, the Board is provided with formal reports and updates from the divisions and external advisers on a regular basis.

During the year under review, our Board members received various externally facilitated briefing sessions. Board members also attended training in critical areas, comprising integrity (including anti-bribery and corruption), sustainability, finance, digital, governance and strategy. These training sessions aimed to equip our Board members with the knowledge and skills necessary to provide effective oversight and guidance to our organisation. Our commitment to maintaining a high level of expertise and knowledge among our Board members demonstrates our dedication to the long-term success of our organisation.

Sustainability

- "ESG in the new normal: A corporation's lens"
- ESG Oversight for Boards
- HASiL-MEF Tax Webinar 2022 - Building Sustainable Future
- Basics of Climate Change and Organisational Greenhouse Gas Accounting: Master Climate Reporting Effectively
- Executive Masterclass: Developing Malaysia's Roadmap to Net Zero
- MIA Virtual Conference Series: Corporate Board Leadership Symposium 2022 - Mastering Governance in the Era of ESG
- MIA Conference 2022 - Leading ESG, Charting Sustainability
- MIA Webinar: Sustainability Management and Reporting - What This Entails & How The Board and Management Go About Managing & Reporting Sustainability Practices
- Sustainable And Responsible Investment (SRI) Virtual Conference 2022 - Preserving the Climate Through Sustainability Business and Living
- Environmental, Social and Governance ("ESG"), Climate Change and Sustainability Reporting
- ESG Roundtable on Creating Partnerships: Supporting Malaysia's Sustainability Agenda
- Universiti Malaya Economics Summit 2022 – Budget 2022: Balancing Economic Recovery and Fiscal Sustainability (Speaker)
- MIDF Green Conference 2022

Finance

- Islamic Finance for Board of Directors
- Corporate Tax Planning
- National Tax Conference 2022 - The Role of Taxation in Post Pandemic Recovery
- COVID-19 Related Issues in Financial Reporting – Going Concern, Impairment, and Financial Instruments
- Maybank's Invest ASEAN 2022 – Malaysia: Economy at Crossroads
- Global Islamic Finance Forum 2022 - Strengthening Islamic finance's global leadership position.

Digital

- Market Manipulation and Securities Fraud
- Entering the 5G Era
- Technology Adoption Strategy for SMPs and SMEs
- MIA Webinar: Digital Transformation in Small and Medium Practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Governance

- Mandatory Anti-Bribery & Corruption Training “Anti-Bribery and Corruption: What You Need to Know”
- Reimagine Risk Management: Post-Pandemic
- Talk on Corporate Liability Under Section 17A MACC Act
- The Securities Commission Audit Oversight Board’s Conversation with Audit Committees
- Corporate Governance (CG) Overview Statement, CG Report, Audit Committee Report and the Statement on Risk Management & Internal Control (SORMIC)
- MIA Mental Health Webinar Session – Turning Stress into Positive Energy
- Global Network of Directors Institute (GNDI) 24-Hour Global Conference
- MIA Webinar: Living with COVID-19: Adapting to changes for well-being at work and home
- International Directors Summit 2022
- Global IERP Conference 2022
- Webinar Programme on Economic Outlook – Taking Temperature for 2022 and Beyond
- Business Foresight Forum 2022 – Economic Outlook

Strategy

- Corporate Board Leadership Symposium 2022
- Courage Leadership Conference 2022 – Building a Winning Talent Strategy for the New Talent Landscape

BOARD AND COMMITTEE EVALUATIONS

In January 2022, Bintulu Port Holdings Berhad (BPHB) contracted the Institute of Corporate Directors Malaysia (ICDM) to perform a Board & Directors Effectiveness Evaluation (BDEE) and Individual Director Evaluations (IDE). The evaluation’s scope encompasses 10 primary parameters or core drivers (domains) derived from the Malaysian Code of Corporate Governance (MCCG) 2021. These parameters assess the Board’s effectiveness, Board Committees and individual Director’s performance. The key parameters include:

- Board Leadership
- Board Composition, Skills and Development
- Board Committees
- Board Governance Oversight & Processes
- Board Agenda, Meetings and Information
- Board Dynamics & Culture
- Board & Management Relationship
- Board & Stakeholder Engagement
- Board & Sustainability Matters
- Board Crisis Management Responses

Engaging subject matter experts to conduct an externally facilitated BDEE is a first-time initiative for BPHB, and aligns with MCCG Practice 6.1 for Large Cap Companies. The aim is to enhance credibility, depth and objectivity in assessing the Board’s performance and governance practices, and to build consensus towards further improvements. The comprehensive BDEE assessment involves one-on-one conversations with all Directors and select members of the Senior Leadership Team (SLT) who frequently interact with the Board. Additionally, the assessment includes an online survey and a review of selected governance documents such as the Board Charter, board committee Terms of Reference (TORs), and meeting minutes.

As part of the BDEE, the performance and contribution of each Director is evaluated, and an Individual Directors Evaluation (IDE) report is provided to each Board member. The IDE report includes self vs. peer Board competency comparisons, technical knowledge, areas for reflection, development and recommendations for greater effectiveness in their role.

The BDEE report presents detailed observations and improvements categorised under the 10 parameters, and was presented to the Board for review by the end of April 2022. Following this, the Board will prioritise the recommended improvements and agree on the best course of action to enhance Board performance further. The results of BDEE FY 2022 and its recommendations will be the subject of the Board’s focus during FY 2023.

Results

The Board of BPHB is well-balanced and functioning cohesively, fulfilling their stewardship and fiduciary responsibilities in an effective manner. The Board dynamics are healthy, and all members have demonstrated professionalism and objectivity in utilising their collective wisdom, insights, experience, skills and network of contacts to provide guidance to the Management and oversee the ethical governance and direction of the business. Despite representing three different groups, they have been successful in working collaboratively as a team and engaging in a professional manner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR APPROACH TO REMUNERATION

The responsibility for setting appropriate levels of remuneration for the Directors, the GCEO and Top 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.

Board Nomination And Remuneration Policy

- The Board of Directors and the Group are mindful that a balanced and effective Board will influence the ability of the Board to fulfil its duties and responsibilities.
- The Board is also cognisant of the fact that fair remuneration is critical to attract, retain and motivate the Directors of the Group.
- To set an appropriate level of remuneration that allows the Group to attract and retain the services of a suitable number of talented and well-qualified Directors, in line with the long-term business strategies of the Group.
- To establish the process to be undertaken by the Company’s Nomination and Remuneration Committee (the NRC) and the Board in discharging their responsibilities in terms of the nomination, appointment, assessment and re-election of Board members in compliance with Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (MMLR) and the Malaysian Code on Corporate Governance 2021 (MCCG 2021).

The details of the remuneration breakdown of individual directors (including fees, salary, bonus, benefits-in-kind and other emoluments) during the financial year 2022 are as follows:

Name Of Directors	Fees (RM '000)		Meeting Allowances (RM '000)			Benefits-in-Kind (RM '000)
	BPHB	Subsidiary	BPHB	Committees	Subsidiary	
Non-Independent Non-Executive Directors						
Dato’ Abdul Mutalib bin Alias Chairman	144.0	NA	24.0	NA	NA	35.0
Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani	102.0	50.4	16.0	NA	7.5	35.0
Dato Sri Fong Joo Chung	102.0	72.0	16.0	7.5	10.0	35.0
Datuk Nasarudin bin Md Idris	102.0	72.0	16.0	2.0	10.0	35.0
Datuk Johan bin Mahmood @ Johan Mahmood Merican Appointed on 1 June 2022	59.5	29.4	6.0	4.5	3.0	35.0
Mohamed Syazwan bin Abdullah @ Laga	102.0	50.4	12.0	7.5	6.0	35.0
Hasmawati binti Sapawi	102.0	50.4	14.0	1.5	4.5	35.0
Zakiah binti Jaafar Resigned on 9 March 2022	19.5	9.6	2.0	1.5	-	35.0
Independent Non-Executive Directors						
Dato’ Sri Mohamed Khalid bin Yusuf @ Yusup	102.0	72.0	16.0	19.0	8.0	35.0
Datuk (Dr.) Yasmin binti Mahmood	102.0	50.4	14.0	22.5	6.0	35.0
Datuk Nozirah binti Bahari	102.0	50.4	16.0	9.0	6.0	35.0
(Dr.) Salihin bin Abang	102.0	50.4	16.0	14.0	7.5	35.0
Totals (RM '000)	1,141.0	557.4	168.0	89.0	68.5	420.0
		1,698.4			325.5	420.0

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The details of the remuneration of the top five senior management (including salary, allowances and bonus), in each successive band of RM50,000 during the financial year 2022, are as follows:

Remuneration Band (RM)				
350,001 - 400,000	400,001 - 450,000	450,001 - 500,000	550,001 - 600,000	800,001 & above
1	1	1	1	1

THE WORK OF OUR BOARD COMMITTEES

There are four main Board Committees – Audit, Risk, Nomination and Remuneration, and Finance and Investment. Each Committee reviews its own terms of reference and these are then reviewed by the full Board together with the matters reserved for 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 page 79 of this Report. During the year under review, the Audit and Risk Committee separated into two committees: the Audit Committee (AC) and the Risk Committee (RC). This change ensured appropriate and significant time will be spent on both audit and risk issues. The focus areas of each Committee during the year under review are listed below.

Audit Committee (AC)	Internal Audit	External Audit
<p>Committee Activities During the Year</p> <ul style="list-style-type: none"> i. Deliberated on the Group’s quarterly financial performance for Q4 2021 and Q1 to Q3 2022; ii. Deliberated on the Group’s proposal for dividend; iii. Deliberated on the Group’s Annual Financial Performance and Audited Financial Statements for the year ended 31 December 2021; iv. Reviewed the 2021 Audit Progress Report and Audit Results for the year ended 31 December 2021 by the External Auditor; v. Reviewed the 2022 Audit Planning Memorandum by the External Auditor; vi. Had two audit special sessions with the External Auditor; vii. Deliberated on the Key Performance Indicator Evaluation 2022 for Head of Group Internal Audit (GIA); viii. Deliberated on the proposed Key Performance Indicators for the Head of GIA for 2022; ix. Deliberated on the UTAP Transformation Journey progress report for 2022; and x. Deliberated and made recommendation in regards to the Quality Assurance Improvement Program (QAIP). 	<ul style="list-style-type: none"> • Reviewed and approved the 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 a quality and reliable audit report; • Reviewed the 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 with 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 Group. 	<ul style="list-style-type: none"> • Reviewed the External Auditors’ terms of engagement, nature and scope of work for financial year 2022 and made recommendations for the Board’s approval; • Reviewed the findings of the External Auditor Report, especially the audited financial statements, and ensured appropriate action was taken by the Management on issues raised by the External Auditor; • Reviewed and made recommendations to the Board for approval of the audit fees for the External Auditor; and • Met with the External Auditor twice without the presence of Management to obtain feedback from them and to discuss measures that may enhance the audit function of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Risk Committee (RC)	Nomination and Remuneration Committee (NRC)	Finance and Investment Committee (FIC)
<p>Committee Activities During the Year</p> <ul style="list-style-type: none"> i. Deliberated on the Extension of Concession for BPSB; ii. Reviewed the current status of Bintulu Port Holdings Berhad’s Enterprise Risk Management (ERM) Framework; iii. Deliberated on the status update on Corporate Sustainability; iv. Reviewed the Group’s current risk profiles and its mitigations, and v. Reviewed the Corruption Risk Management. 	<ul style="list-style-type: none"> i. Made proposals for promotion, confirmation and renewal of contracts for Top & Senior Management positions in the Company; ii. Deliberated on the Management Succession Plan for the Top & Senior Management positions; iii. Made proposals for payment of performance bonuses and annual salary increments for Management and staff; iv. Made proposals for the key performance indicators for the Group Chief Executive Officer; v. Deliberated and made proposals in relation to the appointment of the Group Chief Executive Officer Designate (GCEOD); vi. Deliberated on Human Resources’ policies review and monitored on its progress, and 	<ul style="list-style-type: none"> vii. Deliberated and made recommendations on the following Human Resources and Corporate Governance matters: <ul style="list-style-type: none"> a) Succession Planning Policy of BPHB Group; b) Enhancement of the Performance Management System; c) Guiding Principles and Philosophy for the Payment of Performance Bonus to the Employees of BPHB Group; d) Directors’ Fit and Proper Policy; e) Conflict of Interest Policy and Declaration for Board of Directors; and f) Code of Ethics for the Board of Directors.
<ul style="list-style-type: none"> i. Deliberated and made recommendations on the 2023 Group Budget ii. Deliberated on the Segmental Report for Bintulu Port Sdn. Bhd. 		

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 are identified, a decision is made to treat, tolerate, terminate or transfer potential exposure. For more information, refer to pages 94 to 101 for the Statement on Risk Management and Internal Control. The Board is committed to meeting the relevant requirements of the MCCG 2021 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 the Group’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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The roles and responsibilities of the Board, the AC, RC and Top Management in respect to Audit, Risk and Internal Controls are set out below:

RESPONSIBILITIES			
<p>Board</p> <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. 	<p>Audit Committee</p> <ul style="list-style-type: none"> Confirms the Group Internal Audit Plan. Reviews significant accounting policies and judgements. Evaluates the effectiveness of the Group's internal control. Oversees the adequacy and effectiveness of the Group's Whistleblowing Policy and procedures implemented to address allegations made by whistleblowers. 	<p>Risk Committee</p> <ul style="list-style-type: none"> Oversees and recommends the risk management policies and procedures of the Group. Reviews and recommends changes as needed to ensure that the Group has in place at all times a Risk Management policy which addresses the strategic, operational, financial and compliance risks. Oversees the execution of the aforementioned process and ensures it is continuously improved as the business environment changes. Oversees the management of certain risks, with regard to the complexity and significance of these risk exposures. Oversees the implementation of compliance and corruption risk framework and policies. 	<p>Top Management</p> <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.
ACTIONS UNDERTAKEN			
<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. 	<ul style="list-style-type: none"> Receives regular reports on internal and external audit and other assurance activities. 	<ul style="list-style-type: none"> Annually assesses the Group's risk management and internal control systems. Performs quarterly assessment on the effectiveness of the principal risks including corruption risk and their mitigation strategies. 	<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 Heads of Divisions in addition to being reviewed by the Audit and Risk Committees. It is the expectation and requirement of the Board that Heads 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 page 26, The Risks We Consider.

ANTI-BRIBERY AND CORRUPTION POLICY

The Anti-Bribery and Corruption Policy (ABC) ensures honest, ethical, transparent and accountable conduct in all of our 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

EFFECTIVE STAKEHOLDER COMMUNICATION

Discussion and decision-making by the Board take the views of key stakeholders into account while continuing to promote the Group's long-term sustainable success. Stakeholder engagement takes place across the Group, both operationally by Management and by the Board. The outcomes of stakeholder discussions, including any concerns raised by them, are reported to the Board and Board Committees on a regular basis. This enables the Directors to better understand how the Group's culture and values are embedded across all aspects of the Group's activities and supports

informed decision-making, but it is important that the Board allows Management to manage and only engages directly with stakeholders when this is appropriate. In our business, engagement with most stakeholder groups is best handled by the Management with the Board maintaining oversight and only engaging directly if there are issues which truly warrant its involvement and where this will add value to the process. This is particularly true of engagement with customers and suppliers but also true of government agencies, regulators and communities. The table below details the way the Group engages with stakeholders, their concerns and our responses:

Employees		
<p>Expectations/Concerns: Our employees expect to have a safe and secure working environment and also be given opportunities for career development.</p>		
<p>Our Response:</p> <ul style="list-style-type: none"> Promoted work-life balance with regular health check-ups & mental health awareness talks 	<p>Method and Frequency of Engagement:</p> <ul style="list-style-type: none"> Satisfaction survey – Annually UTAP Transformation Journey – GRC Culture Survey to assess employees' understanding of governance, risk and compliance culture 	
<p>Impact on the Group: Creates competent and efficient employees to add value to the Group.</p>		

Customers		
<p>Expectations/Concerns: Customers expect the Group to be efficient and secure in assisting them in moving their cargoes quickly.</p>		
<p>Our Response:</p> <ul style="list-style-type: none"> The Group is constantly improving operational efficiency and has a robust maintenance programme to ensure reliability and availability of our equipment and facilities. 	<p>Method and Frequency of Engagement:</p> <ul style="list-style-type: none"> Customer Satisfaction Index (CSI) – Annually Customer Insight Group – Annually Customer Attraction Programme – Periodically Customer Loyalty and Retention Programme – Periodically 	
<p>Impact on the Group: Our quick, efficient and safe turnaround of their goods will help our customers in their business while also raising our status as their preferred port.</p>		

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Regulatory Authorities and Certification Bodies

Expectations/Concerns:

Regulatory authorities expect the Group to comply with the relevant laws, standards, certifications and contracts.

Our Response:

- Continued to practise the highest standards of governance, ethics and compliance

Method and Frequency of Engagement:

- Environmental Monitoring – Quarterly
- Site inspection and audits – Periodically
- Continuous development of the Board of Directors through a variety of seminars and training and certification programmes
- Seminars, briefings and training for all employees

Impact on the Group:

Overall business continuity.

Shareholders and the Investing Public

Expectations/Concerns:

Shareholders expect the Company to enhance sustainable value creation and return on investment and to provide transparent information about our performance.

Our Response:

- Improved our productivity by implementing operational efficiencies while executing growth strategies to increase revenue
- Progressed in our strategies and contained our costs
- Introduced an investor relations programme that shares transparent and material information about our performance

Method and Frequency of Engagement:

- Annual General Meeting – Annually
- Shareholdings Analysis – Monthly
- Investor and Analysts’ Briefing – Quarterly
- Group Financial Results announcements – Quarterly
- Corporate website
- Annual Report

Impact on the Group:

Growing revenue while prudently managing cost leads to sustainable returns and dividends.

Maintaining good financial health and good reporting practices will allow us to be trusted and preferred by investors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Local Community

Expectations/Concerns:

The local community expects employment and business opportunities and the Group’s positive contributions as a responsible corporate citizen.

Our Response:

- Employed locals and ensured safe operations with regular environmental monitoring and effective waste management
- Regularly engaged with the community at large through CSR efforts

Method and Frequency of Engagement:

- Sponsorships and support for charitable and welfare programmes – Periodically
- Industrial training – Periodically
- CSR programmes – Regularly

Impact on the Group:

Being recognised as a caring, friendly, responsible and proactive organisation will raise our standing with the community while also ensuring the sustainability of the overall business.

Media

Expectations/Concerns:

The media expects timely, reliable and transparent information about the Group’s operations and initiatives.

Our Response:

- Provided regular press releases to be transparent about our operations and maintained good rapport with our media partners

Method and Frequency of Engagement:

- Press releases – As and when a newsworthy event is conducted
- Media coverage – As and when a newsworthy event is conducted
- Media get-together – Annually

Impact on the Group:

A long-term partnership with the media is important in order to improve visibility, build on our reputation and broadcast our efforts to our stakeholders.

Vendors and Suppliers

Expectations/Concerns:

Vendors and suppliers expect the Group to be a professional business entity in the context of timely payments, safe operations and an ethical business environment.

Our Response:

- Ensured timely payments, equal business opportunities and an ethical business environment

Method and Frequency of Engagement:

- Vendor registration – Periodically
- Contract negotiations – Periodically
- Safety induction briefings – Virtually
- Site visits – Periodically

Impact on the Group:

Ensuring a strong partnership and collaborative approach with our vendors and suppliers that upholds the principles of integrity will help us maintain a transparent and cost-effective procurement process, leading to more sustainable outcomes and higher-quality services.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Financial Institutions and Sukuk Murabahah Subscribers/Holders

Expectations/Concerns:

Financial institutions and sukuk holders expect strong operational and financial performance to support the repayment of loans.

Our Response:

- Timely and consistent sharing of relevant information and financial results
- Timely repayments on our borrowings
- Engaged a rating agency for our Corporate Credit annual rating review

Method and Frequency of Engagement:

- Periodic Distribution Payment – Semi-annually
- Annual Rating Review – Annually
- Interface session with bankers and sukuk holders – Periodically

Impact on the Group:

Maintaining good ratings will confirm our financial strength and ability to meet financial obligations.

Maritime Community

Expectations/Concerns:

The maritime community expects the Group to conduct its operations in an environmentally friendly manner for the mutual benefit of the Port and the community.

Our Response:

- The Group complied with good environmental practices and standards and the concepts of a green port
- Promoted port services to the shipping community and port users through regular and effective communication

Method and Frequency of Engagement:

- Briefing and communication – Periodically
- Networking events – Periodically

Impact on the Group:

Complying with rules and regulations is important for business continuity, while exploring new business opportunities improves revenue prospects for the Group.

Up-to-date information on the Group is accessible via the Group's website at

 www.bintuluport.com.my

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

LIST OF INTERFACE AND ENGAGEMENT SESSIONS

No.	Date	Summary of Interface/Engagement Sessions	Venue
1	26/4/2022	Affin Hwang Asset Management Berhad	Online*
2	26/5/2022	Esente Advisory	The Saujana Hotel, KL
3	16/6/2022	Cahaya Mata Sarawak Berhad & Tabung Haji Investment Team	Samalaju Resort Hotel, Bintulu
4	26-27/7/2022	Kenanga, EPF & KWAP	SIPSB & BPHB
5	9/8/2022	AMInvestment Bank Berhad	Online*
6	2/9/2022	Esente Advisory	Glenmarie Hotel & Resort, Shah Alam
7	29-30/9/2022	RAM Rating Services Berhad	SIPSB & BPHB
8	12/10/2022	BIMB Securities, BIMB Invest & Tabung Haji	BPHB
9	13/10/2022	PNB & Nomura	BPHB
10	14/10/2022	Esente Advisory & group of investors/analysts (Esente Advisory, MIDF, VC Asset, MSEC, Segacious Capital & AMInvestment Bank)	SIPSB
11	14/10/2022	Hong Leong Investment Bank & group of investors/analysts (HLIB Research, Takaful, RHB Asset, SOCSO & Philip Capital)	SIPSB
12	14/10/2022	Nomura & group of investors/analysts (Nomura, PNB & RHB)	SIPSB

* Online: via conference call and email

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 2022, there were no new related parties involved with the Group other than the existing ones, which comprised the Sarawak State Financial Secretary (SFS) and Petroliaam 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 2022 amounted to the sum of RM10,000.00 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 2022.

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 2022.

v. Details of Attendance at Meetings Held in the Financial Year Ended 31 December 2022

For attendance, please refer to page 79 of this Statement.

vi. Statement by the Board on Compliance

The Board continues to strive for high standards of Corporate Governance throughout the Group. The Board is of the view that the Company has, in all material aspects, satisfactorily complied with and observed the relevant chapters of the Main Market Listing Requirements and the Companies Commission of Malaysia's requirements as well as the principles and practices set out in the MCCG, except the departures as set out in the Corporate Governance Report.

Statement made in accordance with the Board's Resolution dated 23 March 2023.

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Group is pleased to present the Statement on Risk Management and Internal Control for the Financial Year ended 31 December 2022.

This statement is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad which outlines the nature and scope of the risk management and internal control systems within the Group during the year under review.

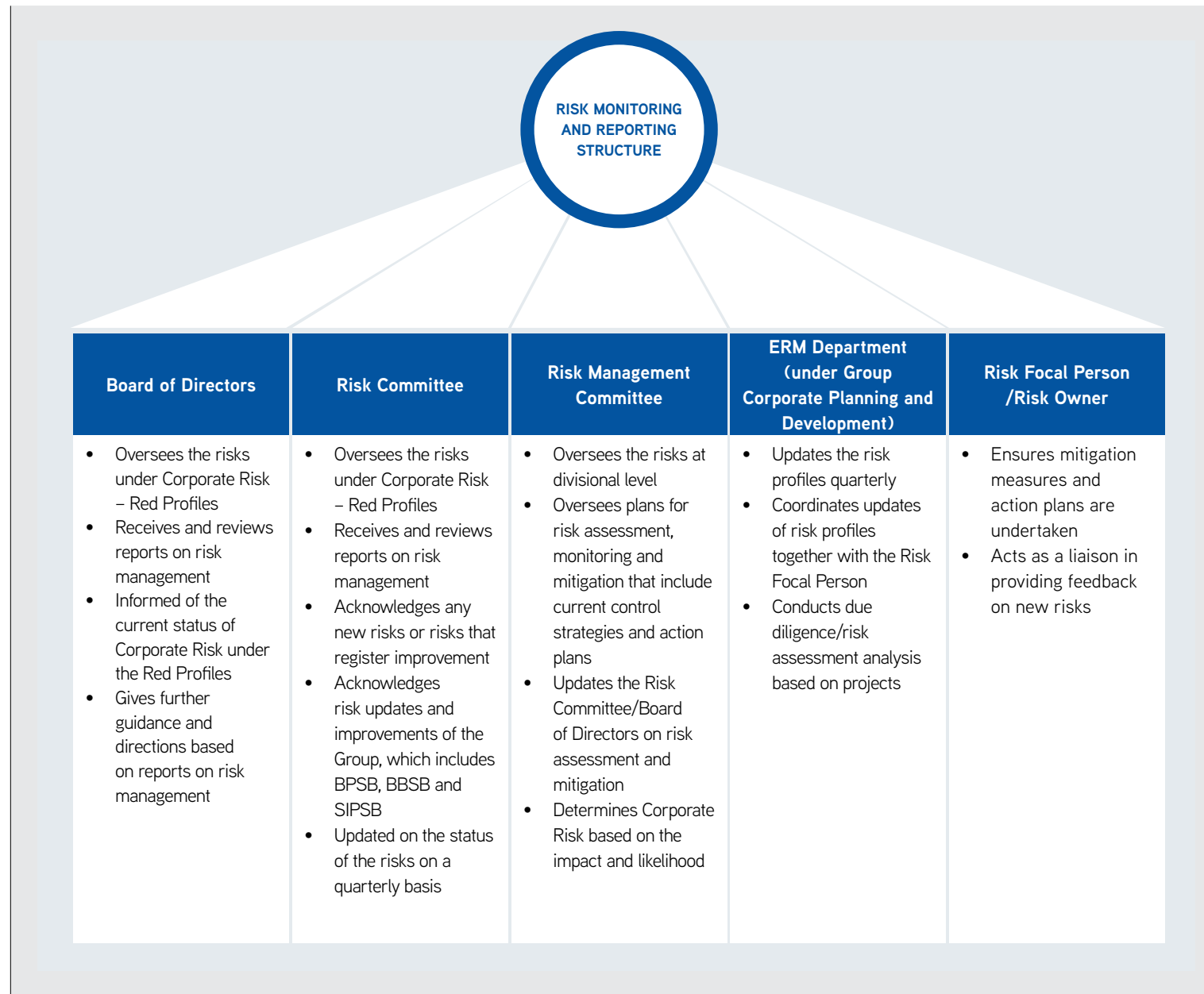
BOARD'S RESPONSIBILITY

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.

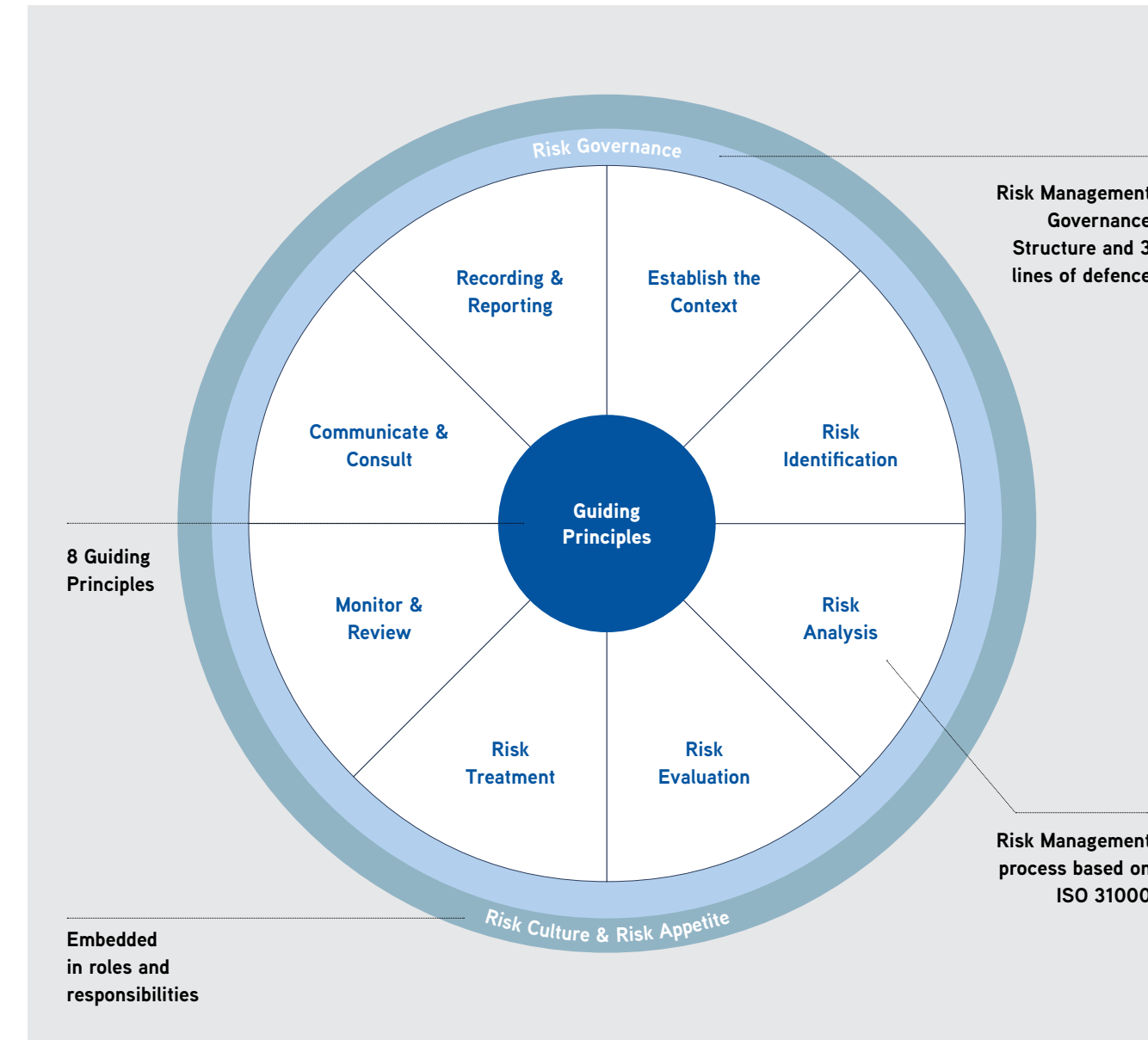
To ensure the adequacy, effectiveness and integrity of the Group's risk management and internal control, the Board maintains full control over governance, strategic, financial, organisational, operational, regulatory and compliance risks and has put in place formal lines of responsibility and delegation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

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



EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

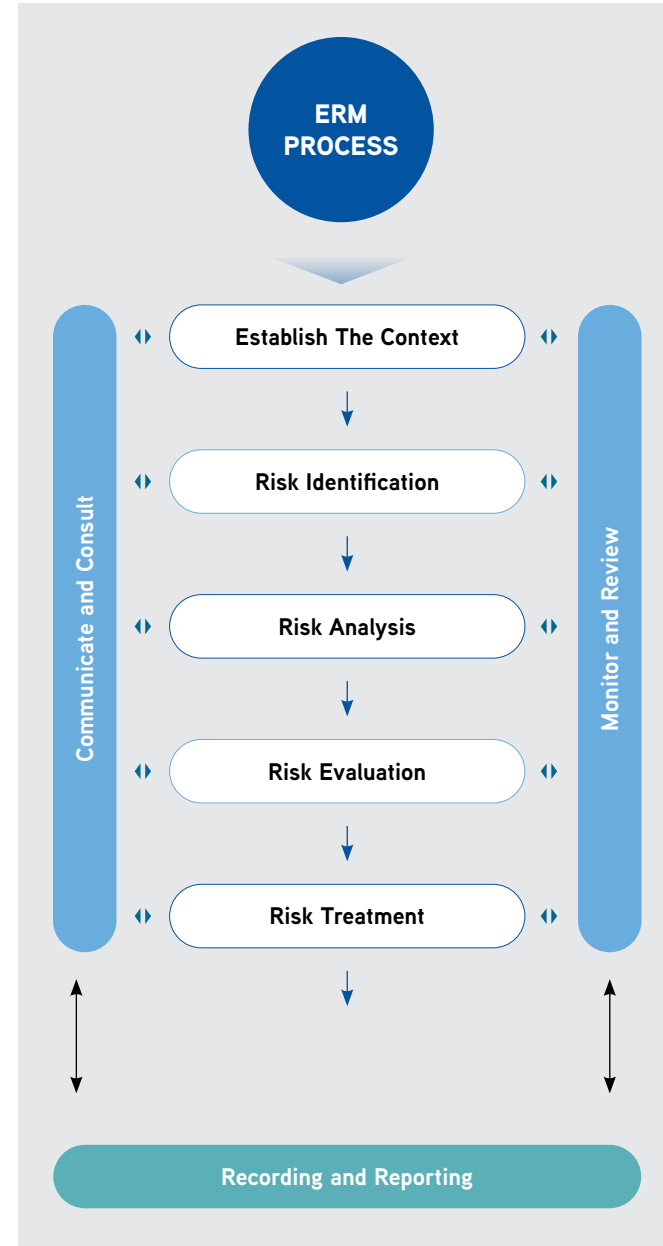
ERM FRAMEWORK



The ERM Manual has been established and incorporates eight 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 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 fulfil 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.

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



THE ENTERPRISE RISK MANAGEMENT AND INTERNAL CONTROL STRUCTURE

ENTERPRISE RISK MANAGEMENT (ERM)	INTERNAL CONTROL
<p>ERM ENVIRONMENT Creates and establishes clear functional responsibilities and accountabilities that cover Governance, Framework and Process</p>	<p>AUTHORITY & RESPONSIBILITY Encompasses Board Terms of Reference, all structures of the organisation and the internal control and compliance environment, as well as responsibility levels</p>
<p>MATERIALITY ASSESSMENT Assessment made according to the recommendations of Bursa Malaysia's Sustainability Reporting Guide</p>	<p>PLANNING, MONITORING & REPORTING Covers budgeting and forecasting exercises, continuous performance review and appropriate application of finance functions</p>
<p>RISK MANAGEMENT COMMITTEE Internal Risk Management Committee established to monitor Principal Risks of the Group as a whole</p>	<p>POLICIES & PROCEDURES Contain information on how the Group operates through SOPs, Code of Conduct and its Customer Charter</p>
<p>RISK MANAGEMENT FUNCTION The establishment of an ERM Department for the coordination of risk management for the Group</p>	<p>AUDIT Covers internal and external audit functions of the Group as well as audit by certification bodies</p>
<p>RISK MANAGEMENT AWARENESS PROGRAMME Group-wide inculcation of a robust risk governance and compliance culture, supported by training programmes</p>	<p>COMPLIANCE Contains information on the role played by Group Legal Counsel</p>
<p>GROUP PRINCIPAL RISK PROFILE Provides oversight for the Audit and Risk Committees during meetings</p>	<p>PERFORMANCE MEASUREMENT Contains information on how the performance of employees is measured</p>
<p>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</p>	<p>EMPLOYEES' COMPETENCIES Contains information on how employees' competencies are continuously enhanced</p>
<p>GROUP INTEGRITY AND COMPLIANCE Group Integrity & Compliance is established to ensure that the Group apply ethical practices and compliance to rules and regulations in upholding good corporate governance</p>	
<p>INSURANCE Involves information relating to the protection of the Group's assets</p>	

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ENTERPRISE RISK MANAGEMENT (ERM)

The Group's Enterprise Risk Management (ERM) segment comprises 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 94 to 96 of this Statement.</p>
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 2021, comprising a series of focus group sessions and interviews with various key internal stakeholders.</p> <p>In 2022, we maintained the material matters that were identified in the materiality assessment in 2021.</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) • Group Chief Financial Officer (GCFO) • Chief Operating Officers (COOs) • Company Secretary • General Manager, Human Resources Management • General Manager, Group Legal Counsel • General Manager, Group Health, Safety and Environment • General Manager, Group Corporate Planning and Development • General Manager, Group Information Technology • Senior Manager, Group Internal Audit • Senior Manager, Group Corporate Services • Senior Manager, Group Security <p>In 2022, the Management updated the Board on a quarterly basis (in February, May, August and November).</p>

SEGMENT	KEY ELEMENT
Risk Management Function	<p>The risks are viewed and managed from a Group-wide perspective 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>
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.</p> <p>In 2022, the ERM Department conducted a Risk Awareness Campaign to give everyone a better understanding of Risk Management. In this campaign, Informational Risk posters and videos were disseminated to all staff via email.</p> <p>The ERM Department was also involved in 12 series of induction programmes to educate and brief new staff on Enterprise Risk Management.</p>
Group Principal Risk Profile	<p>The Group Principal Risk Register and Profile is a permanent agenda item of the Risk Committee meetings, which deliberate on the following principal risks:</p> <ul style="list-style-type: none"> • Strategic Risk • Financial Risk • Compliance Risk • Operational Risk
Group Integrity and Compliance	<p>The Group has established Group Integrity & Compliance on 1 January 2023, mainly to ensure that the Group and its employees operate with integrity and comply with all applicable laws and regulations. They develop policies and procedures, create awareness on integrity and ethical practices, investigate allegations of non-compliance or unethical behaviour, and report regularly to the Board of Directors.</p> <p>Overall, the division helps to protect the Company's reputation, build trust with stakeholders, and promote a culture of ethical behavior within the organisation.</p>
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>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

The Group's internal control segment comprises the following key elements:

SEGMENT	KEY ELEMENT
Authority and 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 Committee • 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 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 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>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SEGMENT	KEY ELEMENT
Planning, Monitoring & Reporting	<p>BUDGET</p> <p>The Group performs comprehensive budgeting and forecasting exercises, including the preparation of business plans.</p> <p>An annual planning and budgetary exercise is undertaken, requiring all divisions to prepare budgets for the forthcoming year.</p> <p>These are deliberated on and approved by the Board prior to implementation by the Management.</p> <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 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 judgements and reasonable estimates have been made in accordance with the requirements set out in established and applicable Financial Reporting Standards.</p>
	<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 is documented and accessible through the Group's intranet and manuals.</p> <p>In addition, the Group has obtained accreditation such as ISO 9001 and ISO 14000 from local and international bodies to standardise relevant processes.</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 the ABC Policy has been set out on page 88.</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>
Policies & Procedures	

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SEGMENT	KEY ELEMENT
Audit	<p>INTERNAL AUDIT 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 AC 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 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 AC 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 license conditions.</p> <p>CERTIFICATION AUDIT The audit is conducted by certification bodies, on a scheduled-basis, for ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 28000:2007 and ISO 27001:2013 to ensure continuous certification is obtained from local and international bodies including renewals of certification.</p>
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, are used to track and measure employees' performance.</p> <p>In addition, annual employee engagement 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>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM EFFECTIVENESS

The Board reviews the effectiveness of the risk management and internal control system through the following monitoring mechanisms:

- Quarterly reviews of the Group's actual financial and operational performance and other key financial and operational indicators.
- Specific projects or business opportunities are reviewed by the Management and the Board as and when required. This allows the Board and the Management to oversee and monitor the potential and emerging risks that can hinder the achievement of the Group's objectives.
- The Group's Risk Profile is presented quarterly to the Risk Committee to provide an overview of the Group's key risks and their current mitigation status.
- The Audit Committee deliberates and discusses reports issued by the Group Internal Audit and external auditors with regards to financial, operational, governance, risk management and internal control matters.

REVIEW OF THIS STATEMENT

As required by paragraph 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 2022, 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 its 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.

Group Internal Audit has also reviewed this Statement and reported to the AC 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 risk management and internal control system.

CONCLUSION

The GCEO and Group Chief Financial Officer (GCFO) have provided their reasonable assurance to the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the framework adopted by the Group.

For the year under review, the Board is of the view that the risk management and internal control system is in place, 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.

Statement made in accordance with the Board's Resolution dated 23 March 2023.

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 2022.

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	127,724	108,585
Profit attributable to: Equity holders of the parent	127,724	108,585

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 2021 were as follows:

In respect of the financial year ended 31 December 2021 as reported in the Directors' report of that year:

	RM'000
Fourth interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 14 April 2022	13,800

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DIRECTORS' REPORT

DIVIDENDS (CONTINUED)

In respect of the financial year ended 31 December 2022:

	RM'000
First interim single tier dividend of 5.00 sen per share on 460,000,000 ordinary shares, paid on 2 August 2022	23,000
Second interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 6 October 2022	13,800
Third interim single tier dividend of 3.00 sen per share on 460,000,000 ordinary shares, paid on 28 December 2022	13,800
	64,400

The Directors have authorised on 27 February 2023 the payment of a fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000, which will be paid on 13 April 2023 to shareholders registered on the Company's Register of Members at the close of business on 24 March 2023. 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 2023.

DIRECTORS

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

Dato' Abdul Mutalib bin Alias
 Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani
 Dato Sri Fong Joo Chung
 Hasmawati binti Sapawi
 Datuk Nasarudin bin Md Idris
 Mohamed Syazwan bin Abdullah @ Laga
 Dato' Sri Mohamed Khalid bin Yusuf @ Yusup
 Datuk (Dr.) Yasmin binti Mahmood
 Datuk Nozirah binti Bahari
 (Dr.) Salihin bin Abang
 Datuk Johan bin Mahmood @ Johan Mahmood Merican
 Zakiah binti Jaafar

(Appointed on 1.6.2022)
 (Resigned on 9.3.2022)

DIRECTORS' REPORT

DIRECTORS' BENEFITS

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

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

INDEMNITIES TO DIRECTORS AND OFFICERS

During the financial year, the Group maintained a Directors' and Officers' Liability Insurance in accordance with Section 289 of the Companies Act 2016. The total insured limit for the Directors' and Officers' Liability Insurance is RM50 million per occurrence or in the aggregate. The annual insurance premium paid is RM66,150.

DIRECTORS' INTERESTS

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

ISSUE OF SHARES

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

OTHER STATUTORY INFORMATION

- (a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that no allowance for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONTINUED)

- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

AUDITORS

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

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

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

Signed on behalf of the Board in accordance with a resolution of the Directors dated 23 March 2023.

Dato' Abdul Mutalib bin Alias

Dato Sri Fong Joo Chung

STATEMENT BY DIRECTORS

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

We, **Dato' Abdul Mutalib bin Alias** and **Dato Sri Fong Joo Chung**, being two of the Directors of **Bintulu Port Holdings Berhad**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 108 to 195 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 2022 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 23 March 2023.

Dato' Abdul Mutalib bin Alias

Dato Sri Fong Joo Chung

STATUTORY DECLARATION

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

I, **Daiana Luna Suip (CA 16050)**, being the Officer primarily responsible for the financial management of **Bintulu Port Holdings Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 108 to 195 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 23 March 2023

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 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from port services rendered	4	731,822	671,059	-	-
Revenue from construction services for concession infrastructure	4	1,828	6,867	-	-
Revenue from bulking services	4	39,319	37,813	-	-
Dividend income from subsidiaries	4	-	-	119,200	122,200
Management fee charged to subsidiaries	4	-	-	48,126	41,534
Rental income	4	20,118	19,515	-	-
		793,087	735,254	167,326	163,734
Other income	5	9,802	16,362	2,445	3,099
Cost of construction services	6	(1,828)	(6,867)	-	-
Employee benefit expenses	7	(139,943)	(129,492)	(42,626)	(38,125)
Depreciation of property, plant and equipment	13	(33,145)	(34,808)	(921)	(793)
Depreciation of right-of-use assets	14	(28,989)	(36,635)	-	-
Amortisation of intangible assets	16	(151,961)	(158,859)	(374)	(341)
Charter hire of vessels		(3,221)	(4,546)	-	-
Maintenance dredging costs	25	(19,520)	(27,434)	-	-
Fuel, electricity and utilities		(35,211)	(23,191)	(61)	(43)
Insurance expenses		(4,773)	(4,102)	(105)	(95)
Repair and maintenance		(44,375)	(45,499)	(1,563)	(784)
Replacement obligations	25	(8,732)	(8,863)	-	-
Service contracts		(52,571)	(44,161)	-	-
Other expenses	8	(52,240)	(41,257)	(19,300)	(13,105)
Total expenses		(576,509)	(565,714)	(64,950)	(53,286)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022 (Continued)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating profit		226,380	185,902	104,821	113,547
Finance costs	9	(67,096)	(74,282)	-	-
Finance income	5	18,728	14,695	3,764	2,011
Profit before tax		178,012	126,315	108,585	115,558
Income tax (expense)/credit	11	(50,288)	236,876	-	-
Profit net of tax, representing total comprehensive income for the year		127,724	363,191	108,585	115,558
Other comprehensive income					
Other comprehensive income that will be reclassified to profit or loss in subsequent periods:					
Foreign currency translation		848	51	-	-
Other comprehensive income for the year		848	51	-	-
Total comprehensive income for the year		128,572	363,242	108,585	115,558
Profit attributable to:					
Equity holders of the parent		127,724	363,191	108,585	115,558
Earnings per share					
Basic (sen)	12	27.77	78.95		

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Assets					
Non-current assets					
Property, plant and equipment	13	248,929	251,487	4,007	4,528
Right-of-use assets	14	47,573	56,073	-	-
Investment in subsidiaries	15	-	-	1,051,900	1,051,900
Intangible assets	16	1,229,534	1,390,876	1,204	1,578
Deferred tax assets	17	302,351	337,367	-	-
Trade and other receivables	18	10,450	10,358	-	-
		1,838,837	2,046,161	1,057,111	1,058,006
Current assets					
Inventories		3,662	3,623	-	-
Tax recoverable		54,364	18,177	-	-
Trade and other receivables	18	88,285	87,468	5,115	10,244
Investment in securities	19	430,588	306,426	82,316	30,971
Cash and bank balances	20	684,533	690,409	127,885	130,415
		1,261,432	1,106,103	215,316	171,630
Total assets		3,100,269	3,152,264	1,272,427	1,229,636
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		953	105	-	-
Retained earnings	36	862,498	799,174	363,480	319,295
Total equity		1,754,269	1,690,097	1,254,298	1,210,113

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022 (Continued)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current liabilities					
Other payables	22	78,228	67,209	13,067	14,528
Loans and borrowings	23	943,359	941,848	-	-
Lease liabilities	24	167,385	174,163	-	-
Provisions	25	37,489	27,436	-	-
Deferred tax liabilities	17	12,464	-	-	-
		1,238,925	1,210,656	13,067	14,528
Current liabilities					
Other payables	22	53,763	39,072	5,062	4,995
Lease liabilities	24	13,828	166,805	-	-
Provisions	25	39,193	44,248	-	-
Income tax payable		291	1,386	-	-
		107,075	251,511	5,062	4,995
Total liabilities		1,346,000	1,462,167	18,129	19,523
Total equity and liabilities		3,100,269	3,152,264	1,272,427	1,229,636

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

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Note	Share Capital RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000	Equity Total RM'000
Group					
2022					
At 1 January 2022		890,818	105	799,174	1,690,097
Total comprehensive income		-	848	127,724	128,572
Transactions with owners					
Dividends on ordinary shares	26	-	-	(64,400)	(64,400)
At 31 December 2022		890,818	953	862,498	1,754,269
2021					
At 1 January 2021		890,818	54	486,583	1,377,455
Total comprehensive income		-	51	363,191	363,242
Transactions with owners					
Dividends on ordinary shares	26	-	-	(50,600)	(50,600)
At 31 December 2021		890,818	105	799,174	1,690,097

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2022 (Continued)

	Note	Share Capital RM'000	Retained Earnings RM'000	Equity Total RM'000
Company				
2022				
At 1 January 2022		890,818	319,295	1,210,113
Total comprehensive income		-	108,585	108,585
Transactions with owners				
Dividends on ordinary shares	26	-	(64,400)	(64,400)
At 31 December 2022		890,818	363,480	1,254,298
2021				
At 1 January 2021		890,818	254,337	1,145,155
Total comprehensive income		-	115,558	115,558
Transactions with owners				
Dividends on ordinary shares	26	-	(50,600)	(50,600)
At 31 December 2021		890,818	319,295	1,210,113

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

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating activities					
Profit before tax		178,012	126,315	108,585	115,558
Adjustments for:					
Amortisation of intangible assets	16	151,961	158,859	374	341
Derecognition upon financial liabilities reassessment		-	794	-	-
Depreciation of property, plant and equipment	13	33,145	34,808	921	793
Depreciation of right-of-use assets	14	28,989	36,635	-	-
Finance costs	9	67,096	74,282	-	-
Bad debts written off	8	-	391	-	-
Intangible assets written off	8	1,723	-	-	-
Assets surrendered upon expiry of concession	8	9,477	-	-	-
Loss/(gain) on disposal of property, plant and equipment	8	8	(1)	2	-
Dividend income from subsidiaries		-	-	(119,200)	(122,200)
Dividend income from unit trust	5	(8,032)	(15,190)	(816)	(1,683)
Interest income	5	(18,728)	(14,695)	(3,764)	(2,011)
Guarantee fee income		-	-	(1,486)	(1,411)
Fair value loss/(gain) on investments in securities	5, 8	11	8,062	(139)	912
Staff gratuities	22	547	-	-	-
Provision for maintenance dredging costs	25	19,520	27,434	-	-
Provision for replacement obligations	25	8,732	8,863	-	-
Unrealised loss in foreign exchange	8	94	147	-	-
Directors' gratuities	10, 22	228	201	228	201
Revisions on charter hire	24 (ii)	(1,821)	(850)	-	-
MFRS 16 adjustment	24 (i)	-	(13)	-	-
Total adjustments		292,950	319,727	(123,880)	(125,058)

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2022 (Continued)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating profit before working capital changes		470,962	446,042	(15,295)	(9,500)
Changes in working capital					
(Increase)/decrease in inventories		(39)	82	-	-
Increase in trade and other receivables		(4,468)	(4,185)	(47)	94
Decrease in other current assets		10,490	566	(69)	(14)
Increase/(decrease) in other payables		8,726	(1,010)	(103)	468
Net change in subsidiaries balances		-	-	5,590	(8,311)
Payment of maintenance dredging	25	(23,747)	(3,846)	-	-
Total changes in working capital		(9,038)	(8,393)	5,371	(7,763)
Cash flows generated from/(used in) operations		461,924	437,649	(9,924)	(17,263)
Directors' gratuities paid	22	(41)	(385)	(41)	(385)
Income tax paid, net refunded		(40,169)	(59,005)	-	-
Staff gratuities paid	22	(2,611)	(4,190)	-	-
Net cash flows generated from/(used in) operating activities		419,103	374,069	(9,965)	(17,648)

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2022 (Continued)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Investing activities					
Interest received		17,439	13,906	3,427	1,980
Acquisition of property, plant and equipment	13	(31,471)	(12,866)	(402)	(1,138)
Increase in intangible assets	16	(1,497)	(9,345)	-	(406)
Proceeds from disposal of property, plant and equipment		268	5	-	-
Net dividend received		-	-	119,200	122,200
Purchase of investment in securities		(116,308)	(69,395)	(50,390)	(7,980)
Net cash flows (used in)/ generated from investing activities		(131,569)	(77,695)	71,835	114,656
Financing activities					
Dividends paid	26	(64,400)	(50,600)	(64,400)	(50,600)
Profit expense paid on Sukuk	23	(37,630)	(37,630)	-	-
Interest paid on lease liabilities	24(i),(ii)	(14,671)	(21,430)	-	-
Payment of principal portion of lease liabilities	24(i),(ii)	(178,421)	(163,724)	-	-
Net cash flows used in financing activities		(295,122)	(273,384)	(64,400)	(50,600)
Net (decrease)/increase in cash and cash equivalents		(7,588)	22,990	(2,530)	46,408
Effects of exchange rate changes		1,712	115	-	-
Cash and cash equivalents at beginning of the year		671,644	648,539	130,415	84,007
Cash and cash equivalents at end of the year	20	665,768	671,644	127,885	130,415

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2022 (Continued)

Changes in liabilities arising from financing activities

	1 January RM'000	Effect of Accrued Interest RM'000	New leases RM'000	Cashflows RM'000	Reclassification RM'000	Exchanges Differences RM'000	31 December RM'000
Group							
For year ended 31 December 2022							
Current lease liabilities	166,805	5,998	21,009	(186,978)	7,262	(268)	13,828
Non-current lease liabilities	174,163	8,672	-	(6,114)	(9,336)	-	167,385
Non-current interest-bearing borrowings (excluding lease liabilities)	941,848	50,839	-	(37,630)	(11,248)	-	943,359
	1,282,816	65,059	21,009	(230,722)	(13,322)	(268)	1,124,572
For year ended 31 December 2021							
Current lease liabilities	170,627	-	9,468	(179,298)	166,431	(423)	166,805
Non-current lease liabilities	325,860	21,721	-	(5,856)	(167,562)	-	174,163
Non-current interest-bearing borrowings (excluding lease liabilities)	940,338	50,389	-	(37,630)	(11,249)*	-	941,848
	1,436,825	72,110	9,468	(222,784)	(12,380)	(423)	1,282,816

* Reclassification relates to unpaid accrued interest reclassified to other payables

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

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
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments to MFRS 16 Leases)	1 April 2021

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.2 Changes in accounting policies (Continued)

Description	Effective for annual periods beginning on or after
Annual improvements to MFRS Standards 2018 – 2020	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combination)	1 January 2022
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment)	1 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022

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

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
MFRS 17 Insurance Contracts (Amendments to MFRS 17 Insurance Contracts)	1 January 2023
Initial Application of MFRS 17 and MFRS 9 – Comparative Information (Amendments to MFRS 17 Insurance Contracts)	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
Lease Liability in Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

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 followings:

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.5 Subsidiaries

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

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over investee to affect its returns. In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Service concession arrangements

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

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

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

2.7 Intangible assets

(a) Concession intangible assets

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.7 Intangible assets (Continued)

(b) Goodwill on acquisition of a subsidiary

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

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

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

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

(c) Software

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

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

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

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.8 Property, plant and equipment (Continued)

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

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

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

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

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

2.9 Inventories

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

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

2.10 Foreign currency

a) Functional and presentation currency

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.10 Foreign currency (Continued)

b) Foreign currency transactions (Continued)

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

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

c) Foreign operations

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

2.11 Impairment of non-financial assets

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.12 Financial Instruments

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

i) Financial assets

Initial recognition and measurement

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.12 Financial Instruments (Continued)

i) Financial assets (Continued)

Financial assets at amortised cost (debt instruments)

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

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

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

Financial assets at fair value through profit or loss

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.12 Financial Instruments (Continued)

i) Financial assets (Continued)

Derecognition (Continued)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.12 Financial Instruments (Continued)

ii) Financial liabilities (Continued)

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.12 Financial Instruments (Continued)

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.

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

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

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

Revenue from berth occupancy or port facilities are recognised over time. Revenue from bulking operations are recognised and accrued with reference to the throughput handled and the terms of agreement of such services.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.13 Revenue (Continued)

(a) Revenue from contracts with customers (Continued)

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.

Management fees are recognised as services are rendered.

(b) Revenue from other sources

Revenue from other sources is recognised as follows:

(i) Dividend income

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

(ii) Tank rental income and other rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. Revenue from rental income is accounted for in accordance with MFRS 16: *Leases*.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.14 Income taxes (Continued)

(b) Deferred tax (Continued)

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.15 Employee benefits

(a) Short term benefits

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

(b) Defined contribution plan

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

(c) Defined benefit plan

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

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

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

2.16 Provisions

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

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

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

2.17 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.18 Borrowing costs

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

2.19 Leases

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

Group and Company as a lessee

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

(a) Right-of-use assets

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

- Leasehold land 30 years
- Vessels 2 - 10 years

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

(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 2022 (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 2022 (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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

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

2.23 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Critical judgements made in applying accounting policies

The critical judgement 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 is as follows:

Concession Agreement

The Group via its indirectly owned subsidiary, Bintulu Port Sdn Bhd ("BPSB") operates port activities based on the Privatisation Agreement which has expired on 31 December 2022. On 8 October 2014, the Government of Malaysia, through Unit Kerjasama Awam Swasta ("UKAS") has provided a letter to provide approval in principle for the extension of the concession of 30 years. On 7 September 2022, the Government of Malaysia through UKAS has agreed that the Company would continue its port operations until the new concession agreement is approved. At the date of financial statements, the new concession agreement has not been concluded. The Directors of the Company are of the view that the new concession arrangement will be approved and have therefore prepared the financial statements of the Company on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty

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

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

(i) Impairment of concession intangible assets for SIPSB

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

(ii) Investment in a subsidiary, SIPSB

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

(b) Deferred tax assets

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

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

(c) Provision for maintenance dredging

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

To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the Group takes into consideration factors such as past historical experience and other available information. Other significant assumptions are disclosed in Note 25.

(d) Provision for replacement cost

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

(d) Provision for replacement cost (Continued)

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. Other significant assumptions are disclosed in Note 25.

4. REVENUE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contracts with customers				
- Revenue from port services rendered	731,822	671,059	-	-
- Revenue from construction services for concession infrastructure	1,828	6,867	-	-
- Revenue from bulking services	39,319	37,813	-	-
- Management fee charged to subsidiaries	-	-	48,126	41,534
	772,969	715,739	48,126	41,534
Revenue from other source:				
- Dividend income from subsidiaries	-	-	119,200	122,200
- Rental income	20,118	19,515	-	-
	20,118	19,515	119,200	122,200
	793,087	735,254	167,326	163,734
Timing of revenue recognition:				
- Over time	383,119	359,539	-	-
- Point in time	389,850	356,200	-	-
	772,969	715,739	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

4. REVENUE (CONTINUED)

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.

Provision of port services

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

5. OTHER INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Finance income:				
Interest income from:				
- Current account	18	22	-	-
- Short term deposits	17,979	13,941	3,764	2,011
- Staff loans	39	43	-	-
- Sublease	692	689	-	-
	18,728	14,695	3,764	2,011

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other income:				
Dividend income from investment in securities	8,032	15,190	816	1,683
Rental income	73	-	-	-
Gain on disposal of property, plant and equipment	-	1	-	-
Fair value gain on investment in money market	141	-	139	-
Guarantee fee income	-	-	1,486	1,411
Others	1,556	1,171	4	5
	9,802	16,362	2,445	3,099
	28,530	31,057	6,209	5,110

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

6. COST OF CONSTRUCTION SERVICES

	Group	
	2022 RM'000	2021 RM'000
Cost of construction services for concession infrastructure	1,828	6,867

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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Wages, salaries, allowance and bonus	109,870	103,913	31,726	29,466
Defined contribution plan (Employees Provident Fund)	14,677	13,592	4,666	4,321
Staff gratuities (Note 22)	547	-	-	-
Other employee benefits	14,849	11,987	6,234	4,338
	139,943	129,492	42,626	38,125

8. OTHER EXPENSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
The following items have been included in arriving at other expenses:				
Auditors' remuneration	375	356	112	100
Non-Executive Directors (Note 10)				
- Fees	1,698	1,743	1,141	1,164
- Other emoluments	792	854	710	763

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

8. OTHER EXPENSES (CONTINUED)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Loss/(gain) on disposal of property, plant and equipment	8	(1)	2	-
Loss on surrendered assets upon expiry of concession	9,477	-	-	-
Fair value loss on investment in securities	152	8,062	-	912
Realised loss on foreign exchange	165	842	-	-
Unrealised loss on foreign exchange	94	147	-	-
Rental of equipment	654	741	50	51
Rental of premises	97	85	3,600	3,600
Bad debts written off	-	391	-	-
Construction in progress ("CIP") for intangible assets written off	1,723	-	-	-
Inventories written off	98	-	-	-

9. FINANCE COSTS

	Group	
	2022 RM'000	2021 RM'000
Unwinding of discount		
- Contractual obligation for lease payment (Note 24)	11,040	17,141
- Maintenance dredging (Note 25)	716	1,207
- Lease liabilities (Note 24)	3,630	4,594
- Replacement obligations (Note 25)	1,321	951
Profit expense on Sukuk Murabahah (Note 23)	50,389	50,389
	67,096	74,282

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-Executive Directors:				
- Fees	1,698	1,743	1,141	1,164
- Meeting and other allowances	564	556	482	465
	2,262	2,299	1,623	1,629
- Provision for Directors' Gratuities	228	298	228	298
	2,490	2,597	1,851	1,927

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

	2022	2021
Non-Executive Directors:		
Below RM50,000	1	-
RM50,001 - RM100,000	1	3
RM100,001 - RM150,000	6	2
RM150,001 - RM200,000	3	4
RM200,001 - RM250,000	-	5
RM250,001 - RM300,000	1	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

11. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 31 December 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Statement of profit or loss:				
Current income tax:				
- Malaysian income tax	8,035	39,628	-	-
- Foreign tax	286	1,896	-	-
(Over)/under provision in previous years				
- Malaysian income tax	(5,513)	110	-	-
	2,808	41,634	-	-
Deferred income tax (Note 17):				
Origination of temporary differences	47,864	(276,153)	-	-
Over provision in previous years	(384)	(2,357)	-	-
	47,480	(278,510)	-	-
Income tax expense/(credit) recognised in profit or loss	50,288	(236,876)	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

11. INCOME TAX EXPENSE (CONTINUED)

The reconciliation between tax (credit)/expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before tax	178,012	126,315	108,585	115,558
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	42,723	30,316	26,060	27,734
Adjustments:				
Effect of different tax rate in other country	(334)	(563)	-	-
Non-deductible expenses	9,657	5,558	1,131	558
Income not subject to tax	(2,149)	(2,757)	(28,802)	(29,732)
(Over)/under provision of tax expenses in previous years	(5,513)	110	-	-
Overprovision of deferred tax in previous years	(384)	(2,357)	-	-
Utilisation of previously unrecognised deferred tax assets	-	(4,164)	-	-
Deferred tax assets not recognised during the year	1,611	1,505	1,611	1,440
Deferred tax assets recognised during the year	-	(264,524)	-	-
Deferred tax previously recognise now unrecognised	4,677	-	-	-
Income tax expense/(credit) recognised in profit or loss	50,288	(236,876)	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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 year ended 31 December:

	Group	
	2022 RM'000	2021 RM'000
Profit net of tax	127,724	363,191

	Group	
	2022 '000	2021 '000
Number of ordinary shares for basic earnings per share computation	460,000	460,000

	Group	
	2022	2021
Basic earnings per share for profit for the year (sen)	27.77	78.95

(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 2022 (Continued)

13. PROPERTY, PLANT AND EQUIPMENT

Group	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
Cost:								
At 1 January 2021	53,325	167,649	276,617	11,375	29,887	132,026	2,963	673,842
Additions	77	-	1,024	285	2,075	-	9,660	13,121
Disposals	-	-	(5)	-	(1,435)	-	-	(1,440)
Reclassification from/(to) intangible assets	-	-	-	-	296	-	(124)	172
Transfers	801	4,253	3,311	-	505	-	(8,870)	-
Reversal of cost	-	-	-	-	(226)	-	(122)	(348)
At 31 December 2021 and 1 January 2022	54,203	171,902	280,947	11,660	31,102	132,026	3,507	685,347
Additions	658	-	1,500	301	1,095	-	27,917	31,471
Disposals	(4,128)	-	(8,497)	(334)	(179)	(285)	-	(13,423)
Reclassification from/(to) intangible assets	-	-	-	-	249	-	(365)	(116)
Transfers	49	-	29,243	-	208	690	(30,190)	-
Reversal of cost	-	-	(165)	-	(71)	-	(61)	(297)
At 31 December 2022	50,782	171,902	303,028	11,627	32,404	132,431	808	702,982

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (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
Accumulated depreciation:								
At 1 January 2021	29,088	73,885	204,559	7,476	19,910	65,572	-	400,490
Charge for the year	3,778	6,734	14,894	529	2,555	6,318	-	34,808
Disposals	-	-	(1)	-	(1,435)	-	-	(1,436)
Exchange differences	-	-	(2)	-	-	-	-	(2)
At 31 December 2021 and 1 January 2022	32,866	80,619	219,450	8,005	21,030	71,890	-	433,860
Charge for the year	3,507	6,876	12,104	624	2,570	7,464	-	33,145
Disposals	(4,127)	-	(8,035)	(329)	(176)	(285)	-	(12,952)
At 31 December 2022	32,246	87,495	223,519	8,300	23,424	79,069	-	454,053
Net carrying amount:								
At 31 December 2021	21,337	91,283	61,497	3,655	10,072	60,136	3,507	251,487
At 31 December 2022	18,536	84,407	79,509	3,327	8,980	53,362	808	248,929

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Motor Vehicles RM'000	Office Furniture, Fittings and Equipment RM'000	Capital Work-in-progress RM'000	Total RM'000
Cost:				
At 1 January 2021	2,074	4,235	141	6,450
Additions	-	893	471	1,364
Transfers	-	502	(502)	-
Reversal of cost	-	(226)	-	(226)
At 31 December 2021 and 1 January 2022	2,074	5,404	110	7,588
Additions	104	205	98	407
Disposals	-	(24)	-	(24)
Transfers	-	208	(208)	-
Reversal of cost	-	(5)	-	(5)
At 31 December 2022	2,178	5,788	-	7,966
Accumulated depreciation:				
At 1 January 2021	1,103	1,164	-	2,267
Charge during the year	182	611	-	793
At 31 December 2021 and 1 January 2022	1,285	1,775	-	3,060
Charge during the year	169	752	-	921
Disposals	-	(22)	-	(22)
At 31 December 2022	1,454	2,505	-	3,959
Net carrying amount:				
At 31 December 2021	789	3,629	110	4,528
At 31 December 2022	724	3,283	-	4,007

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

14. RIGHT-OF-USE ASSETS

Group	Vessels RM'000	Leasehold land RM'000	Total RM'000
Cost:			
At 1 January 2021, 31 December 2021 and 1 January 2022	156,768	26,617	183,385
Additions	21,007	-	21,007
At 31 December 2021 and 31 December 2022	177,775	26,617	204,392
Accumulated depreciation:			
At 1 January 2021	83,064	7,985	91,049
Charge for the year	35,748	887	36,635
Exchange differences	(372)	-	(372)
At 31 December 2021 and 1 January 2022	118,440	8,872	127,312
Charge for the year	28,102	887	28,989
Exchange differences	518	-	518
At 31 December 2022	147,060	9,759	156,819
Net carrying amount:			
At 31 December 2021	38,328	17,745	56,073
At 31 December 2022	30,715	16,858	47,573

15. INVESTMENT IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 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 2022 (Continued)

15. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Country of Incorporation	Principal activities	Proportion of Ownership Interest	
			2022 %	2021 %
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

Group	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
Cost:							
At 1 January 2021	1,851,913	1,820,338	24,531	26,338	5,772	15	3,728,907
Additions (via purchases)	-	6,727	-	859	2,242	-	9,828
Additions (via leases)	9,468	-	-	-	-	-	9,468
Transfer (to)/from property, plant and equipment	-	751	-	-	(923)	-	(172)
Transfers	-	2,218	-	283	(2,501)	-	-
Derecognition upon financial liabilities reassessment	(794)	(13)	-	-	-	-	(807)
Reversal of cost	-	-	-	-	(795)	-	(795)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

16. INTANGIBLE ASSETS (CONTINUED)

Group (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
At 31 December 2021 and 1 January 2022	1,860,587	1,830,021	24,531	27,480	3,795	15	3,746,429
Additions (via purchases)	-	661	-	-	836	-	1,497
Transfer (to)/from property, plant and equipment	-	365	-	-	(249)	-	116
Transfers	-	-	-	613	(613)	-	-
Assets surrendered	-	(515,557)	-	-	-	-	(515,557)
Write-off	-	-	-	-	(1,723)	-	(1,723)
At 31 December 2022	1,860,587	1,315,490	24,531	28,093	2,046	15	3,230,762
Accumulated amortisation:							
At 1 January 2021	1,591,292	567,076	22,133	16,193	-	-	2,196,694
Charge for the year	87,887	68,045	1,199	1,728	-	-	158,859
At 31 December 2021 and 1 January 2022	1,679,179	635,121	23,332	17,921	-	-	2,355,553
Charge for the year	87,957	61,135	1,199	1,670	-	-	151,961
Assets surrendered	-	(506,286)	-	-	-	-	(506,286)
At 31 December 2022	1,767,136	189,970	24,531	19,591	-	-	2,001,228
Net carrying amount:							
At 31 December 2021	181,408	1,194,900	1,199	9,559	3,795	15	1,390,876
At 31 December 2022	93,451	1,125,520	-	8,502	2,046	15	1,229,534

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

16. INTANGIBLE ASSETS (CONTINUED)

Company	Capital Work-in-progress RM'000	Software RM'000	Total RM'000
Cost:			
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	-	3,009	3,009
Accumulated amortisation:			
At 1 January 2021	-	1,090	1,090
Charge for the year	-	341	341
At 31 December 2021 and 1 January 2022	-	1,431	1,431
Charge for the year	-	374	374
At 31 December 2022	-	1,805	1,805
Net carrying amount:			
At 31 December 2021	-	1,578	1,578
At 31 December 2022	-	1,204	1,204

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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 8.5% (2021: 8.0%).

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

(b) Revenue

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

Sensitivity to changes in assumptions

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

17. DEFERRED TAX

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

Group	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	Investment Tax Allowance (Unutilised) RM'000	
At 1 January 2021	72,417	(3,051)	(25,512)	(4,096)	(90,835)	(4,669)	-	(3,111)	(58,857)
Recognised in profit or loss (Note 11)	(124)	(2,613)	10,288	1,006	(9,323)	(5,950)	(264,524)	(7,270)	(278,510)
At 31 December 2021 and 1 January 2022	72,293	(5,664)	(15,224)	(3,090)	(100,158)	(10,619)	(264,524)	(10,381)	(337,367)
Recognised in profit or loss (Note 11)	42,869	510	15,224	495	(9,394)	1,067	-	(3,291)	47,480
At 31 December 2022	115,162	(5,154)	-	(2,595)	(109,552)	(9,552)	(264,254)	(13,672)	(289,887)

Company	Deferred tax liabilities Property plant and equipment RM'000	Deferred tax assets Unabsorbed capital allowance RM'000	Total RM'000
At 1 January 2021	728	(728)	-
Recognised in profit or loss (Note 11)	284	(284)	-
At 31 December 2021 and 1 January 2022	1,012	(1,012)	-
Recognised in profit or loss (Note 11)	918	(918)	-
At 31 December 2022	1,930	(1,930)	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

17. DEFERRED TAX (CONTINUED)

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

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unutilised tax losses	74,077	68,547	22,152	16,622
Unabsorbed capital allowances	7,248	6,095	7,248	6,095
Others	31	-	31	-
	81,356	74,642	29,431	22,717

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

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

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

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unutilised tax losses to be carried forward until:				
- Year of assessment 2028	55,934	55,934	8,492	8,492
- Year of assessment 2029	11,173	6,050	8,129	3,006
- Year of assessment 2030	6,970	6,563	5,531	5,124
	74,077	68,547	22,152	16,622

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current				
Trade receivables				
External parties	46,993	37,002	-	-
Other receivables				
Amounts due from subsidiaries	-	-	3,497	9,079
Interest receivable	2,133	1,311	433	96
Staff loans	1,573	1,606	634	585
Sundry receivables	1,647	4,116	23	23
	5,353	7,033	4,587	9,783
	52,346	44,035	4,587	9,783
Other current assets				
GST receivables	445	445	-	-
Prepaid operating expenses	23,613	23,454	528	461
Contract assets	11,881	19,534	-	-
	35,939	43,433	528	461
	88,285	87,468	5,115	10,244
Non-current				
Other receivables				
Lease receivable	10,450	10,358	-	-
	98,735	97,826	5,115	10,244
Financial assets under trade and other receivables				
Total trade and other receivables	98,735	97,826	5,115	10,244
Less: other current assets	(35,939)	(43,433)	(528)	(461)
	62,796	54,393	4,587	9,783

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables

Trade receivables are non-interest bearing and are generally from 15 to 45 days (2021: 15 to 45 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent fair values on initial recognition.

Trade receivables include amounts due from Malaysia LNG Sdn. Bhd. and other subsidiaries of a substantial shareholders, Petroliam Nasional Berhad, with the amount of RM4,268,615 (2021: RM4,037,807) and RM14,292,896 (2021: RM1,013,474) respectively.

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

(b) Amounts due from subsidiaries

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

(c) Other current assets

Included in prepaid operating expenses is prepaid lease rental for the first quarter of the following year of RM20,332,588 (2021: RM20,429,694) paid to Bintulu Port Authority ("BPA").

(d) Lease receivable

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

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

	2022 RM'000	2021 RM'000
Receivable more than 5 years	10,450	10,358
The lease receivables are presented as follows:		
Non-current	10,450	10,358

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(d) Lease receivable (Continued)

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

	2022 RM'000	2021 RM'000
At 1 January	10,358	10,269
Accretion of interest	692	689
Receipt of lease	(600)	(600)
At 31 December	10,450	10,358

19. INVESTMENT IN SECURITIES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<i>Fair value through profit or loss</i>				
Investment in unit trust fund	430,588	306,426	82,316	30,971

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

20. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash at banks and on hand	19,748	7,124	135	365
Deposits with licensed financial institutions:				
Short term deposits with licensed banks	586,635	609,135	117,500	108,000
Money market instruments purchased under repurchase agreements	78,150	74,150	10,250	22,050
	664,785	683,285	127,750	130,050
Cash and bank balances	684,533	690,409	127,885	130,415

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

	Interest rate		Maturity	
	2022 %	2021 %	2022 Days	2021 Days
Group				
Deposits with licensed banks	2.00 – 3.75	2.00 – 2.16	33 - 177	31 - 177
Money market instruments purchased under repurchase agreements	2.30 – 2.40	1.25 – 1.50	4 - 14	6 - 24
Company				
Deposits with licensed banks	2.80 – 3.75	2.05 – 2.07	33 - 94	31 - 63
Money market instruments purchased under repurchase agreements	2.30 - 2.40	1.40 – 1.50	6 - 12	10 - 24

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

20. CASH AND BANK BALANCES (CONTINUED)

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

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash and bank balances	684,533	690,409	127,885	130,415
Less: Deposits with maturity period of more than 3 months	(18,765)	(18,765)	-	-
Cash and cash equivalents	665,768	671,644	127,885	130,415

21. SHARE CAPITAL

Group/Company	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
At 1 January 2021 and 31 December 2021	460,000	*	890,818	*	890,818
At 1 January 2022 and 31 December 2022	460,000	*	890,818	*	890,818

* The Special Share amounted to RM1.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

21. SHARE CAPITAL (CONTINUED)

The Special Share

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

These special rights include:

- (i) the right to appoint not more than four persons at anytime as directors of the Company;
- (ii) the right to repayment of the capital paid up on the Special Share in priority to any other member in the event of winding-up of the Company; and
- (iii) the right to require the Company to redeem the Special Share at its issued price at any time.

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

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

22. OTHER PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current:				
Due to subsidiaries	-	-	19	11
Accrued operating expenses	8,568	7,756	1,435	1,768
Sundry payables	40,038	24,040	2,035	1,805
Deposit received	1,344	2,162	-	-
Retention money	815	1,469	-	-
Staff gratuities	1,701	3,349	-	-
Financial guarantee contract	-	-	1,573	1,411
Others	1,297	296	-	-
	53,763	39,072	5,062	4,995

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

22. OTHER PAYABLES (CONTINUED)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current:				
SUKUK profit distribution	67,765	56,517	-	-
Directors' gratuities	1,351	1,164	1,351	1,164
Staff gratuities	9,112	9,528	-	-
Financial guarantee contract	-	-	11,716	13,364
	78,228	67,209	13,067	14,528
Total other payables	131,991	106,281	18,129	19,523

(a) Other payables

Sundry payables include amount due to Petroleum Sarawak Berhad (PETROS) and Petronas Dagangan Berhad, with the amount of RM548,767 (2021: RM254,893) and RM1,378,600 (2021: RM263,240) respectively. These amounts are non-interest bearing.

(b) Amounts due to subsidiaries

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

22. OTHER PAYABLES (CONTINUED)

(c) Staff gratuities

	Group	
	2022 RM'000	2021 RM'000
At 1 January	12,877	17,067
Arose during the year (Note 7)	547	-
Payment during the year	(2,611)	(4,190)
At 31 December	10,813	12,877
Current:	1,701	3,349
Non-current:		
Later than 1 year but not later than 2 years	1,775	1,022
Later than 2 years but not later than 5 years	3,458	3,791
Later than 5 years	3,879	4,715
	9,112	9,528
	10,813	12,877

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

22. OTHER PAYABLES (CONTINUED)

d) Directors' gratuities

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 January	1,164	1,348	1,164	1,348
Arose during the year	228	201	228	201
Payment during the year	(41)	(385)	(41)	(385)
At 31 December	1,351	1,164	1,351	1,164
Non-current:	1,351	1,164	1,351	1,164
	1,351	1,164	1,351	1,164

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 Company.

The Company has measured the fair value of the financial guarantee liability in respect of borrowings of a subsidiary. As a result, an income of RM1.5 million (2021: RM1.4 million) was recognised during the year.

23. LOANS AND BORROWINGS

	Group	
	2022 RM'000	2021 RM'000
Non-current		
Unsecured:		
Sukuk Murabahah	943,359	941,848
Total loans and borrowings	943,359	941,848

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

23. LOANS AND BORROWINGS (CONTINUED)

Sukuk Murabahah

The Sukuk Programme obtained by SIPSB, has a tenure of 20 years from the date of first issuance and has a limit of RM950 million in nominal value. It is based on the Shariah principle of Murabahah (via a tawarruq arrangement) involving selected Shariah-compliant commodities ("Sukuk Murabahah"). The Sukuk Programme is unsecured. It is backed by an irrevocable and unconditional guarantee by Bintulu Port Holdings Berhad as the guarantor. The proceeds from the issuance under the Sukuk Murabahah shall be utilised by SIPSB for the payment of fees and expenses relating to the Sukuk Programme, funding of the initial Financial Service Reserve Account Minimum Required Balance, capital expenditure, payments of Periodic Distributions to beneficial holders during construction and working capital requirements all of which shall be in relation to the Project.

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

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

Summary of the Sukuk Murabahah is tabulated below:

As at 31 December 2022/2021

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 2022 (Continued)

23. LOANS AND BORROWINGS (CONTINUED)

The Sukuk Murabahah is redeemable as follows:

	Group	
	2022 RM'000	2021 RM'000
Later than 2 years but not later than 5 years	370,000	370,000
Later than 5 years	573,359	571,848
	943,359	941,848

	Group	
	2022 RM'000	2021 RM'000
At 1 January	941,848	940,338
Payment during the year	(37,630)	(37,630)
Profit expense on Sukuk Murabahah (Note 9)	50,389	50,389
Accrued interest	(11,248)	(11,249)
	1,511	1,510
At 31 December	943,359	941,848

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24. LEASE LIABILITIES

	Group	
	2022 RM'000	2021 RM'000
Current:		
Contractual payments to grantors in Service Concession Agreements	-	148,674
Other lease liabilities	13,828	18,131
	13,828	166,805
Non-current:		
Contractual payments to grantors in Service Concession Agreements	112,162	112,072
Other lease liabilities	55,223	62,091
	167,385	174,163
	181,213	340,968

(i) Contractual payments to grantors in Service Concession Agreements

	Group	
	2022 RM'000	2021 RM'000
At 1 January	260,746	379,096
Addition	-	9,468
Unwinding of discount (Note 9)	11,040	17,141
MFRS 16 adjustments	-	(13)
Payments	(159,624)	(144,946)
At 31 December	112,162	260,746
Current:	-	148,674
Non-current:		
Later than 5 years	112,162	260,746

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24. LEASE LIABILITIES (CONTINUED)

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

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

(ii) Other lease liabilities

Group	Maturity	2022 RM'000	2021 RM'000
Non-current	2023 - 2049	55,223	62,091
Current	2022	13,828	18,131
		69,051	80,222
Maturity of lease liabilities			
Within one year		13,828	18,131
Later than 1 year and not later than 2 years		6,944	8,911
Later than 2 years and not later than 5 years		15,705	15,435
Later than 5 years		32,574	37,745
		69,051	80,222

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

Group	2022 RM'000	2021 RM'000
At 1 January	80,222	117,391
Addition	21,009	-
Unwinding of discount (Note 9)	3,630	4,594
Payments	(33,468)	(40,208)
Reclassified to other creditors	(789)	(1,128)
Exchange differences	268	423
Revisions on charter hire	(1,821)	(850)
At 31 December	69,051	80,222

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24. LEASE LIABILITIES (CONTINUED)

(ii) Other lease liabilities (Continued)

The following are the amounts recognised in profit or loss:

	2022 RM'000	2021 RM'000
Depreciation expense of right-of-use assets	28,989	36,635
Unwinding of discount on lease liabilities	3,630	4,594
Expenses relating to short-term lease	2,642	1,147
Total amount recognised in profit or loss	35,261	42,376

The Group had total cash outflows for other leases of RM34,622,144 (2021: RM38,126,754).

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

25. PROVISIONS

Group	Maintenance dredging RM'000	Replacement obligations RM'000	Total RM'000
At 1 January 2022	44,248	27,436	71,684
Arose during the year	19,520	8,732	28,252
Unwinding of discount (Note 9)	716	1,321	2,037
Payments	(23,747)	-	(23,747)
Reclassified to other creditors	(1,544)	-	(1,544)
At 31 December 2022	39,193	37,489	76,682
Current	39,193	-	39,193
Non-current	-	37,489	37,489
	39,193	37,489	76,682

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

25. PROVISIONS (CONTINUED)

Group	Maintenance dredging RM'000	Replacement obligations RM'000	Total RM'000
At 1 January 2021	19,453	17,622	37,075
Arose during the year	27,434	8,863	36,297
Unwinding of discount (Note 9)	1,207	951	2,158
Payments	(3,846)	-	(3,846)
At 31 December 2021	44,248	27,436	71,684
Current	44,248	-	44,248
Non-current	-	27,436	27,436
	44,248	27,436	71,684

Maintenance dredging

Provision for maintenance dredging is recognised and measured at the present value of estimated expenditures to be required to settle the future obligation at the reporting date, discounted at government bond risk-free rate of 3.88% (2021: 3.48%).

Replacement obligations

Provision for replacement cost is recognised and measured at the present value of estimated expenditures expected to be required to settle the present obligation at the reporting date, discounted at incremental borrowing rate of 4.50% (2021: 4.50%).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

26. DIVIDENDS

	Dividends in respect of the year		Dividends recognised in year	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interim single tier dividend for 2020				
- 2.00 sen per share	-	-	-	9,200
Interim single tier dividend for 2021				
- 3.00 sen per share	-	13,800	-	13,800
- 3.00 sen per share	-	13,800	-	13,800
- 3.00 sen per share	-	13,800	-	13,800
- 3.00 sen per share	-	13,800	13,800	-
Interim single tier dividend for 2022				
- 5.00 sen per share	23,000	-	23,000	-
- 3.00 sen per share	13,800	-	13,800	-
- 3.00 sen per share	13,800	-	13,800	-
	50,600	55,200	64,400	50,600

The Directors have authorised on 27 February 2023 the payment of a fourth interim single tier dividend of 3.0 sen per share on 460,000,000 ordinary shares, amounting to RM13,800,000, which will be paid on 13 April 2023 to shareholders registered on the Company's Register of Members at the close of business on 24 March 2023. 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 2023.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

27. COMMITMENTS

Capital commitments

Capital expenditure as at the reporting date is as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Capital expenditure				
Approved and contracted for:				
Property, plant and equipment and concession intangible assets	6,967	31,843	-	359
Approved but not contracted for:				
Property, plant and equipment and concession intangible assets	11,779	7,350	-	-
	18,746	39,193	-	359

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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Significant transactions with subsidiaries				
Dividend income	-	-	119,200	122,200
Management fee received from subsidiaries	-	-	48,126	41,534
Rental expense charged by BPSB	-	-	(3,600)	(3,600)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

28. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:				
Rendering of services:				
- Malaysia LNG Sdn. Bhd.	145,642	159,254	-	-
- Vestigo Petroleum Sdn. Bhd.	481	503	-	-
- PETRONAS Carigali Sdn. Bhd.	10,386	9,449	-	-
- PETRONAS Dagangan Berhad	2,419	1,705	-	-
- PETRONAS Floating LNG 1 (L) Ltd	85,562	-	-	-
- PETRONAS Chemical Marketing (L) Ltd	644	719	-	-
Purchase of fuel and lubricants:				
- PETRONAS Dagangan Berhad	(24,460)	(13,533)	-	-
Transactions with a subsidiary of a substantial shareholder, State Financial Secretary (Sarawak State Government):				
Purchase of gas:				
- Petroleum Sarawak Berhad (PETROS)	(3,645)	(2,168)	-	-

Information regarding outstanding balances arising from related party transactions as at 31 December 2022 are disclosed in Notes 18 and 22.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Remuneration and benefits	5,436	4,004	3,961	2,985
Post-employment benefits:				
Defined contribution plan	372	256	335	256
	5,808	4,260	4,296	3,241

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

29. SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

(a) BPSB (Continued)

	Intangible assets	
	Gross value RM'000	Net carrying amount RM'000
<ul style="list-style-type: none"> Description arrangement: Financing, building and operating of Bintulu Port 	1,792,024 (2021: 2,307,402)	- (2021: 128,602)
<ul style="list-style-type: none"> 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 		

The current service concession agreement has expired on 31 December 2022. On 8 October 2014, the Government of Malaysia, through Unit Kerjasama Awam Swasta ("UKAS") has provided a letter to provide approval in principal for the extension of the concession of 30 years. On 7 September 2022, further clarification on the matter revealed that the expiry of the original concession agreement is effective and that the concession asset are deemed to be surrendered upon expiry of the concession. The Government of Malaysia, through UKAS, has provided an interim arrangement that allows the Company to continue its operation effective from 1 January 2023 to 31 December 2023 for 12 months. If the new concession agreement is not renewed within the said 12-month period, the period would automatically be extended for a further 6-month period. On 24 November 2022, the Government of Malaysia, BPA and Bintulu Port Sdn Bhd has entered into an Interim Agreement that allowed Bintulu Port to continue to operate for six (6) months from 1 January 2023 to 30 June 2023 until the new concession agreement is finalised.

(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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

29. SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

(b) SIPSB (Continued)

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

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

	Intangible assets	
	Gross value RM'000	Net carrying amount RM'000
<ul style="list-style-type: none"> Description arrangement: Financing, building and operating of Samalaju Port 	1,430,031 (2021: 1,428,667)	1,222,911 (2021: 1,257,389)
<ul style="list-style-type: none"> Period of concession: 2017 - 2056, with an option to extend for twenty years Remuneration: Services for port facilities Investment grant from concession grantor: Yes Infrastructure return to grantor at end of concession Investment and renewal obligations: Nil Re-pricing dates: Nil 		

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Group	Carrying amount		Fair value	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Financial liabilities: Interest-bearing loans and borrowings – Non-current- SUKUK Murabahah	943,359	941,848	922,064	918,401

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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).

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

31. FAIR VALUE MEASUREMENT (CONTINUED)

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2022				
Current assets at fair value (Note 19)				
Investment in securities	-	430,588	-	430,588
Liabilities for which fair values are disclosed (Note 23)				
Loans and borrowings - SUKUK Murabahah	-	943,359	-	943,359
Company				
2021				
Current assets at fair value (Note 19)				
Investment in securities	-	306,426	-	306,426
Liabilities for which fair values are disclosed (Note 23)				
Loans and borrowings - SUKUK Murabahah	-	941,848	-	941,848
Company				
2022				
Current assets at fair value (Note 19)				
Investment in securities	-	82,316	-	82,316
2021				
Current assets at fair value (Note 19)				
Investment in securities	-	30,971	-	30,971

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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 2022 (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 2022 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (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 2022 and 31 December 2021:

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31 December 2022			
Trade receivables – LNG*:			
Current (not past due)	13,972	-	13,972
More than 30 days past due	-	-	-
	13,972	-	13,972
Trade receivables – Non LNG:			
Current (not past due)	14,718	-	14,718
1 to 30 days past due	587	-	587
More than 90 days past due	-	-	-
	15,305	-	15,305
	29,277	-	29,277

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31 December 2022			
Trade receivables – bulking services:			
Current (not past due)	2,301	-	2,301
1 to 30 days past due	5	-	5
	2,306	-	2,306
Trade receivables – port services at Samalaju:			
Current (not past due)	15,410	-	15,410
	46,993	-	46,993
31 December 2021			
Trade receivables – LNG*:			
Current (not past due)	6,791	-	6,791
More than 30 days past due	-	-	-
More than 90 days past due	-	-	-
	6,791	-	6,791
31 December 2021			
Trade receivables – Non LNG:			
Current (not past due)	11,390	-	11,390
1 to 30 days past due	212	-	212
More than 90 days past due	334	-	334
	11,936	-	11,936
	18,727	-	18,727

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (Continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Trade receivables - bulking services:			
Current (not past due)	2,148	-	2,148
1 to 30 days past due	55	-	55
	2,203	-	2,203
Trade receivables - port services at Samalaju:			
Current (not past due)	16,072	-	16,072
	37,002	-	37,002

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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.

Group	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
At 31 December 2022					
Financial liabilities:					
Other payables (Note 22)	131,991	131,991	62,993	6,358	62,033
Loans and borrowings (Note 23)	943,359	1,302,800	37,630	495,932	769,238
Lease liabilities (Note 24)	181,213	316,267	19,884	50,786	245,297
Total undiscounted financial liabilities	1,256,563	1,751,058	120,507	553,076	1,076,568
At 31 December 2021					
Financial liabilities:					
Other payables (Note 22)	106,281	106,281	39,072	5,977	61,232
Loans and borrowings (Note 23)	941,848	1,302,800	37,630	495,932	769,238
Lease liabilities (Note 24)	340,968	485,344	178,475	54,492	252,377
Total undiscounted financial liabilities	1,389,097	1,894,425	255,177	556,401	1,082,847

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

Company	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
At 31 December 2022					
Financial liabilities:					
Other payables (Note 22)	4,840	4,840	3,489	1,351	-
Financial guarantee contract (Note 22)	13,289	13,289	1,486	5,470	6,246
Total undiscounted financial liabilities	18,129	18,129	4,975	6,821	6,246
At 31 December 2021					
Financial liabilities:					
Other payables (Note 22)	4,748	4,748	3,584	1,164	-
Financial guarantee contract (Note 22)	14,775	14,775	1,411	5,781	7,507
Total undiscounted financial liabilities	19,523	19,523	4,995	6,945	7,507

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33. CATEGORIES OF FINANCIAL INSTRUMENTS

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

- Amortised cost ("AC")
- Fair value through profit or loss ("FVTPL")

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
2022				
Group				
Financial assets				
Trade and other receivables	18	-	62,796	62,796
Cash and bank balances	20	-	684,533	684,533
Investment in securities	19	430,588	-	430,588
		430,588	747,329	1,177,917
Financial liabilities				
Other payables	22	-	131,991	131,991
Loans and borrowings	23	-	943,359	943,359
Lease liabilities	24	-	181,213	181,213
		-	1,256,563	1,256,563
2021				
Group				
Financial assets				
Trade and other receivables	18	-	54,393	54,393
Cash and bank balances	20	-	690,409	690,409
Investment in securities	19	306,426	-	306,426
		306,426	744,802	1,051,228

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
2021				
Group				
Financial liabilities				
Other payables	22	-	106,281	106,281
Loans and borrowings	23	-	941,848	941,848
Lease liabilities	24	-	340,968	340,968
		-	1,389,097	1,389,097
2022				
Company				
Financial assets				
Trade and other receivables	18	-	4,587	4,587
Cash and bank balances	20	-	127,885	127,885
Investment in securities	19	82,316	-	82,316
		82,316	132,472	214,788
Financial liabilities				
Other payables	22	-	18,129	18,129

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33. CATEGORIES OF FINANCIAL INSTRUMENTS

	Note	FVTPL RM'000	AC RM'000	Total carrying amount RM'000
2021				
Company				
Financial assets				
Trade and other receivables	18	-	9,783	9,783
Cash and bank balances	20	-	130,415	130,415
Investment in securities	19	30,971	-	30,971
		30,971	140,198	171,169
Financial liabilities				
Other payables	22	-	19,523	19,523

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 2022 (Continued)

34. CAPITAL MANAGEMENT (CONTINUED)

	Note	Group	
		2022 RM'000	2021 RM'000
Loans and borrowings	23	943,359	941,848
Other payables	22	131,991	106,281
Lease liabilities	24	181,213	340,968
Less: Cash and bank balances	20	(684,533)	(690,409)
Net debt		572,030	698,688
Equity attributable to the owners of the parent		1,754,269	1,690,097
Total equity		1,754,269	1,690,097
Capital and net debt		2,326,299	2,388,785
Gearing ratio		24.59%	29.25%

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 2022 (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 2022						
Revenue:						
External customers (Note 4)	748,413	44,674	-	-		793,087
Inter-segment	10,335	6,101	168,812	(185,248)		-
Total revenue	758,748	50,775	168,812	(185,248)		793,087
Results:						
Interest income	14,125	839	3,764	-		18,728
Guarantee fee income	-	-	1,486	(1,486)		-
Depreciation and amortisation	203,374	9,426	1,295	-		214,095
Other non-cash expenses	44,443	1,161	228	-	A	45,832
Segment profit	172,990	17,214	108,584	(120,686)	B	178,012
Assets:						
Additions to non-current assets	31,099	1,462	407	-	C	32,968
Segment assets	2,705,431	179,122	1,272,427	(1,056,711)	D	3,100,269
Segment liabilities	1,316,325	29,660	18,129	(18,114)	E	1,346,000

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (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 2021						
Revenue:						
External customers (Note 4)	691,884	43,370	-	-		735,254
Inter-segment	10,800	5,678	165,145	(181,623)		-
Total revenue	702,684	49,048	165,145	(181,623)		735,254
Results:						
Interest income	12,113	571	2,011	-		14,695
Guarantee fee income	-	-	1,411	(1,411)		-
Depreciation and amortisation	219,879	9,289	1,134	-		230,302
Other non-cash expenses	59,014	1,176	201	-	A	60,391
Segment profit	116,470	17,898	115,558	(123,611)	B	126,315
Assets:						
Additions to non-current assets	24,602	5,665	1,544	-	C	31,811
Segment assets	2,808,762	176,407	1,229,636	(1,062,541)	D	3,152,264
Segment liabilities	1,438,792	29,285	19,523	(25,433)	E	1,462,167

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

35. SEGMENT INFORMATION (CONTINUED)

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

	Group	
	2022 RM'000	2021 RM'000
Staff gratuities	547	-
Maintenance dredging costs	19,520	27,434
Replacement costs	8,732	8,863
Directors' gratuities	228	201
Unwinding of discount	16,707	23,893
Inventories written off	98	-
	45,832	60,391

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	
	2022 RM'000	2021 RM'000
Dividend income	(119,200)	(122,200)
Guarantee fee income	(1,486)	(1,411)
	(120,686)	(123,611)

C Additions to non-current assets consist of:

Property, plant and equipment	31,471	13,121
Intangible assets	1,497	18,690
	32,968	31,811

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

35. SEGMENT INFORMATION (CONTINUED)

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

	2022 RM'000	2021 RM'000
Investment in subsidiaries	(1,051,900)	(1,051,900)
Inter-segment receivables	(4,811)	(10,641)
	(1,056,711)	(1,062,541)

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

	2022 RM'000	2021 RM'000
Inter-segment payables	(18,114)	(25,433)

F Revenue from one (2021: one) major customer amounted to RM146 million (2021: RM159 million) representing 18% (2021: 22%) of the total Group's revenue.

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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysia	768,372	697,517	1,526,033	1,696,006
Brunei	24,715	37,737	3	2,430
	793,087	735,254	1,526,036	1,698,436

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

35. SEGMENT INFORMATION (CONTINUED)

Geographical information (Continued)

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

	2022 RM'000	2021 RM'000
Property, plant and equipment	248,929	251,487
Right-of-use assets	47,573	56,073
Intangible assets	1,229,534	1,390,876
	1,526,036	1,698,436

36. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 December 2022 under the single tier system.

37. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 23 March 2023.

INDEPENDENT AUDITORS' REPORT

to the members of Bintulu Port Holdings Berhad

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 2022 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 108 to 195.

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 2022, 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 (Continued)

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 RM1.223 billion (representing 40% of the Group's total assets) may be impaired. Accordingly, the Group estimated the recoverable amount of the concession intangible assets of SIPSB using value in use ("VIU"). Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the CGU, and discounting them at an appropriate rate.

(b) Investment in a subsidiary

The continued loss reported by SIPSB as mentioned above indicates that the carrying amount of investment in SIPSB may also be impaired. The carrying amount of investment in SIPSB was RM690 million, representing 53% 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 (Continued)

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 2022 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 (Continued)

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 (Continued)

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

Najihah Binti Khalid
No. 03249/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
23 March 2023

SHAREHOLDINGS STATISTICS

1. ANALYSIS OF HOLDINGS

Size of Holdings	No. of Holders		No. of Shares		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1 - 99	75	3	560	148	0.000	0
100 - 1,000	586	13	477,231	8,996	0.103	0.001
1,001 - 10,000	598	11	2,440,380	39,400	0.54	0.008
10,001 - 100,000	119	6	3,100,700	142,900	0.674	0.031
100,001 - 22,999,999 (*)	21	4	72,391,585	1,084,200	15.737	0.235
23,000,000 and above (**)	5	0	380,313,900	0	82.676	0
Total	1,404	37	458,724,356	1,275,644	99.720	0.275

* Less than 5% of issued shares

** 5% and above of issued shares

2. LIST OF TOP THIRTY (30) HOLDERS

No.	Name of Holders	Shareholdings	%
1.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Exempt an for Petroliam Nasional Berhad	131,171,000	28.515
2.	State Financial Secretary Sarawak	122,701,000	26.674
3.	Equisar Assets Sdn. Bhd.	60,000,000	13.043
4.	Kumpulan Wang Persaraan (Diperbadankan)	42,190,500	9.171
5.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	24,251,400	5.272
6.	Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (1)	16,891,700	3.672
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

SHAREHOLDINGS STATISTICS

No.	Name of Holders	Shareholdings	%
10.	Amanahraya Trustees Berhad Amanah Saham Malaysia	5,500,000	1.195
11.	Wong Lok Jee @ Ong Lok Jee	5,142,000	1.117
12.	Amanahraya Trustees Berhad Public Islamic Select Treasures Fund	3,974,800	0.864
13.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	3,248,500	0.745
14.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3 - Didik	3,000,000	0.652
15.	Amanahraya Trustees Berhad Public Islamic Dividend Fund	2,220,800	0.482
16.	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	888,500	0.193
17.	Shoptra Jaya (M) Sdn. Bhd.	724,100	0.157
18.	Mercsec Nominees (Asing) Sdn Bhd Pledged Securities Account for Loh Kah Wai	702,000	0.152
19.	Maybank Nominees (Tempatan) Sdn Bhd Mtrustee Berhad for Tabung Baitulmal Sarawak (Majlis Islam Sarawak) (FM-ASSAR-TBS) (419511)	588,000	0.127
20.	Koperasi Jayadiri Malaysia Berhad	500,000	0.108
21.	RHB Nominees (Asing) Sdn Bhd Pledged Securities Account for Loh Kah Wai	300,000	0.065
22.	Maybank Nominees (Tempatan) Sdn Bhd Etiqua Family Takaful Berhad (Family)	281,400	0.061
23.	Tan Wui Yee	240,000	0.052
24.	Seumas Tan Nyap Tek	219,300	0.047
25.	Ahmat Bin Narawi	205,000	0.044
26.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An For UBS AG Singapore (Foreign)	156,000	0.033
27.	Kenanga Nominees (Tempatan) Sdn Bhd Yeoh Thye Sin	152,000	0.033
28.	Neoh Choo Ee & Company, Sdn. Berhad	135,800	0.029
29.	Public Invest Nominees (Asing) Sn Bhd Pledged Securities Account for Muhamad Aloysius Heng (M)	120,200	0.026
30.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS For Amundi HK-New Generation Asia Pacific Equity Dividend Fund (Amundi HK Port)	106,000	0.023

SHAREHOLDINGS STATISTICS

3. SUBSTANTIAL SHAREHOLDERS

No.	Name of Holders	Shareholdings	%
1.	CIMB Group Nominees (Tempatan) Sdn. Bhd. Exempt an for Petroliam Nasional Berhad	131,171,000	28.515
2.	State Financial Secretary Sarawak	122,701,000	26.674
3.	Equisar Assets Sdn. Bhd.	60,000,000	13.043
4.	Kumpulan Wang Persaraan (Diperbadankan)	42,190,500	9.171
5.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	24,251,400	5.272
Total		380,313,900	82.675

SUMMARY OF EQUIPMENT & FACILITIES

Description	No. of Berth / Jetty	Total Capacity/Area		
		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	340	8	8,000
Ro Ro Ramp	1	20	7	8,000
Handymax Berth	4	907	13.5	50,000
Handysize Berth	1	214	11	30,000
Tugboat Jetty	1	70.4	7	420 GT

SUMMARY OF EQUIPMENT & FACILITIES

Type Of Storage	Units	Area (m ²)
General Cargo Wharf		
Transit Shed	2	10 000
- Transit Shed 1		5 000
- Transit Shed 2		2 860
- Timber Yard		2 140
- Storage Godown	3	7 2000 (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
- Rigger Warehouse	1	2 376
Multipurpose Terminal		
- Timber Shed	2	7,800 m ² each
- Hazardous Godown	1	1,200 m ²
- Open Yard	6 Block A/B (each bay length: 55.22 m) (each bay width: 15.86 m)	17,160 m ²
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)

SUMMARY OF EQUIPMENT & FACILITIES

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

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Container Handling Equipment		
Battery Powered Forklift	2	3
Empty Reach Stacker	2	10
Cargo Handling Equipment		
Heavy Forklift (Diesel)	6	8
Forklift (Diesel)	42	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	5	30 m ³

SUMMARY OF EQUIPMENT & FACILITIES

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Samalaju Industrial Port Handling Equipment		
Quay Equipment	11	Hopper Bin Volume : 30 m ³ , 40 m ³ and 55 m ³
Portable Hoppers		
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
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

SUMMARY OF EQUIPMENT & FACILITIES

Cargo Handling & Mechanical Equipment	No. of Units	Capacity (Tonnes) *Safe Working Load (SWL)/Safe Loading Capacity/Towing Capacity
Conveyor System Facilities		
Conveyor Belt Line-A	1	600 TPH (max.)
Conveyor Belt Line-B	2	1,200 TPH (max.)
Conveyor Belt Line-C	3	1,200 TPH (max.)
Conveyor Belt Line-D	2	1,200 TPH (max.)
Stacker 1 (Stockpile 1)	1	3,000 TPH (max.)
Stacker 2 (Stockpile 2)	1	1,200 TPH (max.)
Stacker 3 (Stockpile 3)	1	1,200 TPH (max.)

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

LIST OF PROPERTIES

As at 28 February 2023

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	28	6 935	0
<u>Built on BICT Land</u>			
Receipt & Delivery Building	24	12 110	0
Gate House	24	5 015	0
Crane Service Station	24	9 300	0
Crane Service Workshop (Extension)	15	3 488	0
Custom Examination Shed	24	2 583	0
Canteen Building	24	11 959	0
Marine Operation Building	24	16 534	0
Marine Maintenance Building	24	9 300	0
Wisma Kontena Building	23	69 727	0
Access Road (Including 2 Bridges)	24	-	0
Container Stacking Yard	24	1 937 229	0
Empty Container Stacking Yard	14	282 143	0
New Storage Yard	27	-	0
Container Stacking Yard (BICT Extension)	13	618 279	0
Upgrading Work to Open Storage Yard At BICT	11	1 216 935	0

LIST OF PROPERTIES

As at 28 February 2023

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Building, structures & improvements: (Continued)			
<u>Built on BICT Land (Continued)</u>			
Main Intake Substation	24	2 174	0
Quay Crane Substation	24	1 485	0
CFS Substation Marine	24	904	0
Marine Operation Substation	24	1 098	0
Wharves 4 & 5	24	168 053	0
Small Craft Harbour	24	-	0
Coastal Terminal / Gravel Jetty	24	9 085	0
Bulk Fertilizer Warehouse	18	217 00	0
Container Freight Station	12	65 390	0
CFS Pit Type Weighbridge	12	-	0
Mooring Service Building	9	-	0
Lub oil storage shed	9	-	0
Schedule waste storage	9	-	0
Empty container stacking yard (extension)	9	-	0
Asphaltic concrete pavement near coastal terminal	9	-	0
<u>Built on Multi Purpose Terminal Land (950 Meter Wharf)</u>			
MPT Open Storage Yard	13	859 915	0
500m Ex-BPP Wharf At MPT	13	46 177	0
Transit Shed 1	12	95 723	0
Transit Shed 3	12	95 723	0
Plant Maintenance Workshop	12	23 182	0
Hazardous Goods Godown	12	17 823	0
Operator's Resthouse	12	2 809	0
M&E Plant Room	12	3 263	0
MPT Operational Gate	12	1 791	0
MPT Weighbridge	12	32 258	0
New Stone Base (Gravel) Area	10	22 604	0
Workers Resting Area At MPT	10	2 190	0
Temporary Bunkering Facility at MPT10	8	5 301	85

LIST OF PROPERTIES

As at 28 February 2023

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Built on 2nd Inner Harbour Land Edible Oil Terminal	16	44 215	0
Bulking Building : Built on 2nd Inner Harbour Land			
Buildings			
Administrative Building	18	6 272	327
M&E Block A Building	18	3 833	145
M&E Block B Building	18	3 005	127
Pump House A	18	14 562	218
Pump House B	12	13 612	1 145
Operator Rest House	10	784	118
One Stop Sampling Store	9	-	59
Samalaju Industrial Port Building and Structures			
Interim Port Facility			
Access Road	8	437 876	10 451
Breakwater & Revetment	8	552m (length)	27 564
Wharf	8	146 820	61,715
Fender System	8	74 (nos)	
Navigation Lighting System	8	-	1,720
Check Point Building	8	513.44	1 715
Weigh Bridges	8	-	1,802
Operation Buildings			
Office Block A	8	7 408	695
Office Block B	8	7 408	1,111
Worker Rest Shed	8	4 347	410
Canteen	8	4 639	574
Maintenance Shed	8	8 816	753
Guard House	8	384	72
Miscellaneous Building	8	-	1 668
Guard House	1		49
Administration Building and Control Tower			
Administration Building and Control Tower	5	20 700	18 785
Central Utilities Building Admin	5	3 198	718
Guard House	5	135	52
Access Road	5		4,403

LIST OF PROPERTIES

As at 28 February 2023

Location	Age of Building (Years)	Area sq. ft.	Net Carrying Value (RM'000)
Samalaju Industrial Port Building and Structures (Continued)			
On-Shore Facilities			
Warehouse Type 1 (Enclosed)	5	38 750	6 406
Warehouse Type 2 (Open)	5	31 000	4 557
Central Utilities Building 1	5	2 906	474
Central Utilities Building 2	5	2 906	916
Central Utilities Building 3	5	2 906	
Central Utilities Building 4	5	3 982	752
Access Roads And Platforming (Stockpile)	5	3 181 811	70 215
Electrical Works			3 454
Weigh Bridge (2 No.)			184
Security Fencing			2 535
Wharves Facilities			
Wharves Facilities	5	136 739	
Handymax Wharf No. 2	5	96 972	147 130
Handymax Wharf No. 3	5	91 660	
Handymax Wharf No. 4	5	84 154	39 311
Handysize Wharf (Including 2 Nos. Of Link Bridges)	5	128 042	60 792
Tug Boat Jetty	5	3 789	3 713
Berth Amenity Shed	5	2 309	457
CUB Crane	5	4 361	714
2 Nos. Beacon Light Tower	5	264	2 886
Breakwater			
Southern Breakwater	5	1.6 km (length)	149,174
Northern Breakwater	5	1.9 km (length)	143,930
New Port Operation Equipment Workshop			
Port Operation Equipment Works	1	13281	2 339
Schedule Waste Storage	1	2299	213
External Works	1	-	3,412
Mechanical and Electrical Works	1	-	18,494

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 27th Annual General Meeting (AGM) of Bintulu Port Holdings Berhad (“the Company”) will be conducted physically at Olympia II, Lobby Level, Pullman Kuching, No. 1A, Jalan Mathies, 93100 Kuching, Sarawak on Thursday, 27 April 2023 at 10.00 a.m. for the following purposes: -

Agenda

Ordinary Business

- To receive the Audited Financial Statements for the year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon.

(Please refer to Explanatory Note A)

- To approve the payment of Directors’ Fee amounting RM1,877,200.00 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies for the year 2023 starting from 27 April 2023 until the next Annual General Meeting (AGM) of the Company in 2024.

(Please refer to Explanatory Note B)

- To approve the payment of Directors’ benefits payable amounting RM876,500.00 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies for the year 2023 starting from 27 April 2023 until the next Annual General Meeting (AGM) of the Company in 2024.

(Please refer to Explanatory Note C)

- 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. Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani

ii. Dato’ Sri Mohamed Khalid bin Yusuf @ Yusup

iii. Datuk Nasarudin bin Md Idris

(Please refer to Explanatory Note D)

- To re-elect **Datuk Johan Mahmood Merican** who retire pursuant to Clause 24.12 of the Company’s Constitution and being eligible, have offered himself for re-election.

(Please refer to Explanatory Note E)

- To re-appoint Messrs. Ernst & Young PLT, the retiring Auditors, as the Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration.

(Please refer to Explanatory Note F)

- 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.

(Resolution 1)

(Resolution 2)

(Resolution 3)

(Resolution 4)

(Resolution 5)

(Resolution 6)

(Resolution 7)

NOTICE OF ANNUAL GENERAL MEETING

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a Member who shall be entitled to attend, speak and vote at this 27th 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 **17 April 2023**. Only a depositor whose name appears on the ROD as at **17 April 2023** shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

By Order of the Board,

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
31 March 2023

NOTES TO THE NOTICE OF AGM

IMPORTANT NOTICE

- Only depositors whose names appear on the Record of Depositors as at 17 April 2023 shall be entitled to attend, speak and vote at the said meeting or appoint proxy/proxies to attend, speak and vote on his/her behalf.
- 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.
- 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.
- 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.
- The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the office of the appointed share registrar for this AGM, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur no later than **25 April 2023 (Tuesday) at 10.00 a.m.**
- Pursuant to Paragraph 8.29A of Bursa Malaysia Main Market Listing Requirements, all resolutions set out in the Notice of 27th AGM will be put to vote on a poll.

NOTICE OF ANNUAL GENERAL MEETING

8. 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.
9. 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.
10. 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.
11. The appointment of a proxy may be made in a hard copy form, and 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.
12. Please ensure ALL the particulars as required in this Form of Proxy are completed, signed and dated accordingly.
13. Last date and time for lodging this Form of Proxy is **10.00 a.m., 25 April 2023 (Tuesday)**.
14. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote.
15. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
16. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner: -
- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.

- (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by: -
- (a) at least two (2) authorised officers, of whom one shall be a director; or
- (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

EXPLANATORY NOTES TO THE NOTICE OF AGM

Explanatory Note A

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

Explanatory Note B (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 26th AGM of the Company held on 28 April 2022, approval was given by the Shareholders for the payment of Directors’ fees and benefits payable starting from 1 May 2022 until the next AGM of the Company in 2023.
20. Resolution 1: To approve the payment of Directors’ fees of up to RM1,877,200.00 for the period from April 2023 to the next AGM of the Company in 2024 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

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

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

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Note C (Resolution 2)

21. Resolution 2: To approve the payment of Directors’ benefits payable of up to RM876,500.00 for the period from April 2023 to the next AGM of the Company in 2024 to the Non-Executive Directors of Bintulu Port Holdings Berhad Group of Companies.

The estimated amount of up to RM876,500.00 for the Directors’ benefits payable to the Non-Executive Directors of the Company is based on the following: -

Allowances and Benefits	Chairman	Members
Meeting Allowance (Per Meeting)		(RM)
Bintulu Port Holdings Berhad Board	3,000.00	2,000.00
Audit Committee	2,000.00	1,500.00
Nomination and Remuneration Committee	2,000.00	1,500.00
Finance and Investment Committee	2,000.00	1,500.00
Risk Committee	2,000.00	1,500.00
Board Concession 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	

Explanatory Note D (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 Non-Executive Directors are standing for re-election at the 27th AGM: -
- (i) Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani **(Resolution 3)**
- (ii) Dato’ Sri Mohamed Khalid bin Yusuf @ Yusup **(Resolution 4)**
- (iii) Datuk Nasarudin bin Md Idris **(Resolution 5)**

Explanatory Note E (Resolution 6)

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

25. Pursuant to Clause 24.12, the following Non-Executive Director is standing for re-election at the 27th AGM:
- (i) Datuk Johan Mahmood Merican **(Resolution 6)**

26. The profiles of the Non-Executive Directors standing for re-elections are provided on pages 59, 60, 63 and 65 of the Board of Directors’ Profile in the 2022 Integrated Annual Report.

Explanatory Note F (Resolution 7)

27. Pursuant to Section 271(3)(b) of the Companies Act 2016, shareholders shall appoint Auditors who shall hold office until the conclusion of the next AGM in 2024. The current Auditors have expressed their willingness to continue in office and the Board of Directors has recommended their reappointment. The shareholders shall consider this resolution and to authorise the Board of Directors to determine their remuneration thereof.
28. The Audit Committee and the Board of Directors of Bintulu Port Holdings Berhad have considered the re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company and collectively agreed that Messrs. Ernst & Young PLT has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

CORPORATE INFORMATION

COMPANY SECRETARY	PRINCIPAL BANKER	STOCK EXCHANGE LISTING
ROSLI BIN IDRIS (MIA 15730) Tel : +60 86 291257 Fax : +60 86 254062 Email : roсли@bintuluport.com.my	CIMB BANK BERHAD MALAYAN BANKING BERHAD	MAIN MARKET Bursa Malaysia Securities Berhad (Listed since 16 April 2001)
AUDITOR	REGISTRAR	
ERNST & YOUNG PLT Chartered Accountants Level 23A, Menara Milenium Jalan Damanela Pusat Bandar Damansara 50490 Kuala Lumpur, Malaysia Tel : +603 7495 8000 Fax : +603 2095 5332	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	
REGISTERED OFFICE	SUBSIDIARIES	
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	BINTULU PORT SDN. BHD. Registration No. 199201022892 (254396-V) BIPORT BULKERS SDN. BHD. Registration No. 200301032726 (635147-V) SAMALAJU INDUSTRIAL PORT SDN. BHD. Registration No. 199601033993 (406345-H)	

GLOSSARY

3Ps	People, Planet, Profits	LNG	Liquefied Natural Gas
ASEAN	Association of Southeast Asian Nations	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
BBSB	Biport Bulkiers Sdn. Bhd.	LTIF	Lost Time Injury Frequency
BDEE	Board and Directors Effectiveness Evaluation	MCCG	Malaysian Code on Corporate Governance
BICT	Bintulu International Container Terminal	MFRS	Malaysian Financial Reporting Standards
BPA	Bintulu Port Authority	MMLR	Main Market Listing Requirements
BPHB	Bintulu Port Holdings Berhad	PSEA	Premier of Sarawak Environmental Award
BPSB	Bintulu Port Sdn. Bhd.	PTI	Port Tank Installation
BRP	Business Response Plan	QR code	Quick Response code
CAPEX	Capital Expenditure	SCORE	Sarawak Corridor of Renewable Energy
CSI	External Customer Satisfaction Index	SIP	Samalaju Industrial Park
DIFOT	Delivery in full and on time	SIPSB	Samalaju Industrial Port Sdn. Bhd.
DOE	Department of Environment	SOPs	Standard Operating Procedures
DWT	Deadweight Tonnage	TEU	Twenty-foot Equivalent Unit
ESG	Environmental, Social and Governance	TIIP	Teamwork, Integrity, Innovation, Professionalism
FEPO	East Malaysia Crude Palm Oil Futures	UAUC	Unsafe Acts and Unsafe Conditions
GRC	Governance, Risk and Compliance	UTAP Transformation Programme	a programme to implement the three lines of defence mechanism that will help the Group mitigate all forms of significant risks
HSE	Health, Safety and Environment	ZEFA	Zero Fatality and Accidents
IFRS	International Financial Reporting Standards		
IIRC	International Integrated Reporting Council		
IMF	International Monetary Fund		



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