

**BINTULU PORT HOLDINGS BERHAD**  
**(Company No: 380802-T)**  
**[Incorporated In Malaysia]**

**MINUTES OF THE TWENTIETH (20<sup>TH</sup>) ANNUAL GENERAL MEETING OF  
BINTULU PORT HOLDINGS BERHAD HELD AT BALLROOM 3, LOBBY  
FLOOR, HILTON KUCHING, JALAN TUNKU ABDUL RAHMAN, 93748  
KUCHING, SARAWAK ON TUESDAY, 28 APRIL 2016 AT 11.30 A.M..**

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**PRESENT:**

1. Y. Bhg. Tan Sri Dr. Ali bin Hamsa  
- Chairman/Proxy for Ministry of Finance (Incorporated)/  
Proxy to list of names as per the Attendance Record.
2. YB Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani  
- Director
3. Y. A. Bhg. Gen (R) Dato' Seri DiRaja Tan Sri Mohd Zahidi  
bin Hj. Zainuddin  
- Director
4. Y. Bhg. Datuk Seri Mohamad Norza bin Zakaria  
- Director
5. Y. Bhg. Dato' Sri Mohamed Khalid bin Yusuf @ Yusup  
- Director
6. Y. Bhg. Datuk Fong Joo Chung  
- Director
7. Y. Bhg. Datuk Nasarudin bin Md Idris  
- Director
8. Y. Bhg. Datuk Nozirah binti Bahari  
- Director
9. Y. Bhg. Dato' Yasmin binti Mahmood  
- Director
10. Encik Dzafri Sham bin Ahmad  
- Director/ Corporate Representative for CIMB Group Nominees  
(Tempatan) Sdn Bhd

11. Y.Bhg. Dato Mior Ahmad Baiti bin Mior Lub Ahmad  
- Chief Executive Officer/ Member
12. Hasmawati binti Sapawi  
- Corporate Representative for State Financial Secretary Sarawak
13. Angeline Chia Poh Lin  
- Corporate Representative for Equisar Assets Sdn. Bhd.
14. Tursina binti Yaacob  
- Corporate Representative for Kumpulan Wang Persaraan  
(Diperbadankan)
15. Shah Rani binti Zakaria  
- Corporate Representative for Citigroup Nominees (Tempatan) Sdn Bhd/  
Employees Provident Fund Board
16. Hj. Omar bin Salleh  
- Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd
17. Hj. Julkip bin Seno  
- Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd
18. Chuo Kuong Liong  
- Proxy for Chuo Zung-Yan, Marianne
19. Norhisam bin Sidek  
- Corporate Representative for Minority Shareholder Watchdog Group
20. Ling Swee Huat @ Ling Sui Huat  
- Member
21. Hj. Borhana bin Gani  
- Member
22. Lim Ngo Mooy  
- Member
23. Magdalene Chuo Zung-Ling  
- Member
24. Dayang Faizah binti Awang Bujang  
- Member
25. Marcellinus Chuo Zung-Jie  
- Member

26. Chuo Kuong Hang  
- Member
27. Anthony Ting Ik Huat  
- Member
28. Teo Ai Ling  
- Member
29. Roland Ling Koh Wen  
- Member
30. Christine Chai Tzen Tzen  
- Member
31. Yeo Bok Khoon  
- Member
32. Yeo Teng Eang  
- Member
33. Wong Lok Jee @ Ong Lok Jee  
- Member
34. Jocelyn Chan Saw Beoy  
- Member
35. Wang Siew Min @ Wong Siew Min  
- Member
36. Wong Chin Fen  
- Member
37. Tsai Song Lim  
- Member
38. Tang Su Fan  
- Member
39. Teo Siaw Kiat  
- Member
40. Chieng Siew Hui  
- Member

**IN ATTENDANCE:**

1. Abu Bakar bin Husaini  
- Company Secretary

**BY INVITATION:**

1. Mohd Kamal bin Mohd Din  
- Tricor Investor Services Sdn Bhd  
(Share Registrar)
2. Yong Nyet Yun  
- Messrs. Ernst & Young

**1.0 CHAIRMAN OF THE MEETING**

The meeting chaired by Y. Bhg. Tan Sri Dr. Ali bin Hamsa, the Chairman of Bintulu Port Holdings Berhad. The Chairman extended a warm welcome and convened the Twentieth (20<sup>th</sup>) Annual General Meeting of Bintulu Port Holdings Berhad as the requisite quorum present.

Before proceeding further the Chairman had expressed his sincere and utmost gratitude to the Management and staff for their continued efforts in making the year 2015 a meaningful year despite the very challenging business environment. Subsequently, he thanked all the shareholders in particular the Ministry of Finance (Incorporated) being the Preference Shareholder, the Petronas, Sarawak State Financial Secretary, Equisar Asset Sdn. Bhd., Kumpulan Wang Persaraan (Diperbadankan), Minority Shareholder Watchdog Group, stakeholders as well as the Sarawak Government, Government Authorities and agencies, customers, the shipping fraternities and the port users for their unwavering support towards the Group. Finally, he thanked all Directors for continued guidance, support and corporation all this while.

As at 20 April 2016, being the cut-off date for determining who shall be entitled to attend the Company's 20<sup>th</sup> AGM, the Company had 1,345 depositors, and the total issued and paid-up capital stood at RM460,000,001.00 comprising 460,000,001 shares of RM1.00 each.

There were approximately thirty one (31) Members present in person or by proxy at the commencement of this Meeting.

The Chairman had also introduced Board of Directors present during this Annual General Meeting.

Without further delay, the Chairman called upon the Company Secretary to confirm the presence of quorum.

## **2.0 VALIDITY OF QUORUM**

The Company Secretary read Article 83 of the Company's Articles of Association as follows:-

"No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Unless otherwise provided in these Articles, two (2) persons, each being a member entitled to attend and vote at the meeting, or a proxy for or attorney of such Member (whether individual, corporate or otherwise), or the duly authorized representative of a Corporate Member, shall be a quorum. The presence of one (1) person entitled to attend and vote at the meeting in more than one capacity at the time when the meeting proceeds to business shall not be a quorum. No Member not entitled to vote at the meeting shall be counted in the quorum".

In accordance with the Article 83, the Company Secretary confirmed the presence of the requisite quorum at the commencement of the meeting.

The Company Secretary also informed that shareholders of **397,667,394** shares had lodged their proxies within the stipulated time and holders of **20,865,294** shares had appointed the Chairman of the meeting to be their proxies.

The Chairman declared that the Twentieth (20<sup>th</sup>) Annual General Meeting opened as the requisite quorum present.

## **3.0 NOTICE OF MEETING/VALIDITY OF NOTICE**

The Chairman informed that the notice convening this Annual General Meeting had already been sent to all shareholders, the Bursa Malaysia and the Auditors of the Company in accordance with the Company's Articles of Association. The Notice of this Twentieth (20<sup>th</sup>) Annual General Meeting had also been advertised in the New Straits Times and Borneo Post on 1 April 2016.

The Chairman proposed that the notice of this meeting be taken as read and seconded by Dayang Faizah binti Awang Bujang, Hj. Borhana bin Gani and Chuo Kuong Hang – Member.

The Chairman declared the notice of this meeting be taken as read as no objection from the members.

Before the meeting proceeded with the actual resolution the Chairman had invited the Chief Executive Officer to highlight the current overview of Bintulu Port Holdings Berhad Group of Companies.

Y. Bhg. Dato Mior Ahmad Baiti bin Mior Lub Ahmad, Chief Executive Officer presented the performance of the Company and invited question or clarification from the floor if any.

#### **4.0 AUDITOR'S REPORT**

The Chairman invited the Company's Auditor, Madam Yong Nyet Yun of Messrs. Ernst & Young to present the Auditor's Report.

Madam Yong Nyet Yun presented the Auditor's Report and informed the meeting that the Audited Financial Statements conformed with the Malaysian Financial Reporting Standard and it was Unqualified Audited Financial Statements.

#### **5.0 DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**

The Chairman informed the meeting that the Directors' Report and Audited Financial Statements for the year ended 31 December 2015 had been sent to all shareholders in accordance with the Company's Articles of Association and presumed that the Reports had been read.

The Chairman explained that the Audited Financial Statements under Resolution 1 was for discussion only, as it did not require shareholders' approval under the provisions of Section 169(1) and (3) of the Companies Act 1965. Hence, it was not put for voting.

While the session opened for question and clarification the Chairman had invited the Chief Executive Officer to highlight the questions received from Minority Shareholder Watchdog Group and response from the Management and the Company.

The Chief Executive Officer informed that the Company received several questions from Minority Shareholder Watchdog Group (MSWG) and responses from the Company provided in the notes circulated to all shareholders during registration. He believed that the responses answered the questions raised. He had also opened this session for further clarification. Detailed responses are enclosed as **Appendix I**.

Encik Norhisam bin Sidek - Corporate Representative for Minority Shareholder Watchdog Group informed that the responses from the Management are sufficient and acceptable. In line with the governance issue, he takes this opportunity to highlight on the Board of Directors' meeting attendance and action to be taken to achieve higher attendance in the future.

There being no further questions, the Chairman proposed that the Audited Financial Statements and Directors' Reports tabled before this meeting be hereby received and noted.

The Chairman declared that the Directors' Report and Audited Financial Statements duly received and noted after no further queries and objection from the members.

**RESOLVED:**

That the Audited Financial Statements of the Company for the financial year ended 31 December 2015 together with the Directors' Report and Statement by the Directors thereon be adopted.

**6.0 PAYMENT OF DIVIDEND**

The Chairman informed that the Board of Directors had recommended the payment of a Final Single Tier Dividend of 6.00 Sen per share in respect of the year ended 31 December 2015.

The Chairman put up before the meeting that the Final Single Tier Dividend of 6.00 Sen per share in respect of the year ended 31 December 2015 be paid.

Dayang Faizah binti Awang Bujang, Chuo Kuong Hang and Hj. Borhana bin Gani – Member, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and the meeting unanimously agreed to the said motion.

The Chairman declared the motion carried.

**RESOLVED:**

That the Final Single Tier Dividend of 6.00 Sen per share in respect of the year ended 31 December 2015 be approved.

## **7.0 DIRECTORS' FEES**

The Chairman put up before the meeting that the Directors' Fees amounting to **RM956,387.10** for the year ended 31 December 2015 be paid.

Dayang Faizah binti Awang Bujang, Chuo Kuong Hang and Hj. Borhana bin Gani – Member, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and the meeting unanimously agreed to the said motion.

The Chairman declared the motion carried.

### **RESOLVED:**

That the Directors' Fees amounting to **RM956,387.10** for the financial year ended 31 December 2015 be approved.

## **8.0 RE-ELECTION OF DIRECTOR – Y. BHG. TAN SRI DR. ALI BIN HAMSA**

Before proceeding with this motion Y. Bhg. Tan Sri Dr. Ali bin Hamsa discharged himself as the Chairman of the meeting and invited Y. A. Bhg. Gen (R) Dato' Seri DiRaja Tan Sri Mohd Zahidi bin Hj. Zainuddin to chair the meeting for purpose of this deliberation.

Y. A. Bhg. Gen (R) Dato' Seri DiRaja Tan Sri Mohd Zahidi bin Hj. Zainuddin took the Chair and proceeded with the motion.

The Chairman informed that by virtue of Article 127, 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 3 or a multiple of 3, the number nearest to one-third shall retire from office, and if there is only 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 3 years.

Y. Bhg. Tan Sri Dr. Ali bin Hamsa retired under Article 127 of the Company's Article of Association and has offered himself for re-election.

The Board had recommended the re-election of Y. Bhg. Tan Sri Dr. Ali bin Hamsa as Director of the Company.



The Chairman proposed that Y. Bhg. Tan Sri Dr. Ali bin Hamsa be re-elected as Director of the Company.

Roland Ling Koh Wen, Chuo Kuong Hang, Dayang Faizah binti Awang Bujang and Hj. Borhana bin Gani – Member, Hasmawati bin Sapawi – Corporate Representative for State Financial Secretary Sarawak, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried.

### **RESOLVED**

That Y. Bhg. Tan Sri Dr. Ali bin Hamsa be re-elected as Director of the Company.

The Chairman congratulated Y. Bhg. Tan Sri Dr. Ali bin Hamsa for re-elected as Director of the Company.

Y. A. Bhg. Gen (R) Dato' Seri DiRaja Tan Sri Mohd Zahidi bin Hj. Zainuddin handed over the Chair to Y. Bhg. Tan Sri Dr. Ali bin Hamsa for subsequent motion.

Y. Bhg. Tan Sri Dr. Ali bin Hamsa thanked the meeting for his re-election.

## **9.0 RE-ELECTION OF DIRECTOR – Y.BHG. DATUK FONG JOO CHUNG**

The Chairman tabled the motion that Y.Bhg. Datuk Fong Joo Chung retired under Article 127 of the Company's Article of Association and has offered himself for re-election.

The Board had recommended the re-election of Y.Bhg. Datuk Fong Joo Chung as Director of the Company.

The Chairman proposed that Y.Bhg. Datuk Fong Joo Chung be re-elected as Director of the Company.

Roland Ling Koh Wen, Chuo Kuong Hang, Dayang Faizah binti Awang Bujang and Hj. Borhana bin Gani – Member, Hasmawati bin Sapawi – Corporate Representative for State Financial Secretary Sarawak, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried and congratulated Y.Bhg. Datuk Fong Joo Chung for re-elected as Director of the Company.

**RESOLVED:**

That Y.Bhg. Datuk Fong Joo Chung be re-elected as Director of the Company.

Y.Bhg. Datuk Fong Joo Chung thanked the meeting for his re-election.

**10.0 RE-ELECTION OF DIRECTOR – Y.BHG. DATUK SERI MOHAMAD NORZA BIN ZAKARIA**

The Chairman tabled the motion that Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria retired under Article 127 of the Company's Article of Association and has offered himself for re-election.

The Board had recommended the re-election of Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria as Director of the Company.

The Chairman proposed that Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria be re-elected as Director of the Company.

Dayang Faizah binti Awang Bujang, Hj. Borhana bin Gani and Roland Ling Koh Wen – Member, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried and congratulated Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria for re-elected as Director of the Company.

**RESOLVED:**

That Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria be re-elected as Director of the Company.

Y.Bhg. Datuk Seri Mohamad Norza bin Zakaria thanked the meeting for his re-election.

## **11.0 RE-ELECTION OF DIRECTOR – ENCIK DZAFRI SHAM BIN AHMAD**

The Chairman informed that by virtue of Article 132, the Directors may appoint a person who is willing to act as Director, either to fill a casual vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election.

Encik Dzafri Sham bin Ahmad retired under Article 132 of the Company's Article of Association and has offered himself for re-election.

The Board had recommended the re-election of Encik Dzafri Sham bin Ahmad as Director of the Company.

The Chairman proposed that Encik Dzafri Sham bin Ahmad be re-elected as Director of the Company.

Chuo Kuong Hang – Member, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried.

### **RESOLVED**

That Encik Dzafri Sham bin Ahmad be re-elected as Director of the Company.

The Chairman congratulated Encik Dzafri Sham bin Ahmad for re-elected as a Director of the Company.

Encik Dzafri Sham bin Ahmad thanked the meeting for his re-election.

## **12.0 RE-ELECTION OF DIRECTOR – Y.BHG. DATUK NOZIRAH BINTI BAHARI**

The Chairman tabled the motion that Y.Bhg. Datuk Nozirah binti Bahari retired under Article 132 of the Company's Article of Association and has offered herself for re-election.

The Board had recommended the re-election of Y.Bhg. Datuk Nozirah binti Bahari as Director of the Company.

The Chairman proposed that Y.Bhg. Datuk Nozirah binti Bahari be re-elected as Director of the Company.

Roland Ling Koh Wen, Dayang Faizah binti Awang Bujang and Hj. Borhana bin Gani – Member seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried and congratulated Y.Bhg. Datuk Nozirah binti Bahari for re-elected as Director of the Company.

### **RESOLVED:**

That Y.Bhg. Datuk Nozirah binti Bahari be re-elected as Director of the Company.

Y.Bhg. Datuk Nozirah binti Bahari thanked the meeting for her re-election.

## **13.0 TO APPOINT MESSRS. ERNST & YOUNG AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman put up before the meeting that Messrs. Ernst & Young retired at this Annual General Meeting and had expressed their willingness to continue in office as Auditors of the Company.

Dayang Faizah binti Awang Bujang, Hj. Borhana bin Gani and Chuo Kuong Hang – Member, Hj. Omar bin Salleh and Hj. Julkip bin Seno - Proxy for CIMB Group Nominees (Tempatan) Sdn Bhd seconded the motion and unanimously agreed by all members.

The Chairman declared the motion carried.

**RESOLVED:**

That Messrs. Ernst & Young be re-appointed as Auditors of the Company, to hold office after the conclusion of this meeting until the conclusion of the next Annual General Meeting and the remuneration to be determined by the Directors.

**14.0 TO TRANSACT ANY OTHER BUSINESS FOR WHICH DUE NOTICE SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE COMPANIES ACT 1965**

The Company Secretary had informed the Chairman that he had not received notice of any other business for transaction.

The Chairman thanked all members, Directors, Management and staff for their attendance and declared the meeting closed.

**15.0 TERMINATION/VOTE OF THANKS**

There being no other business to be transacted, the Chief Executive Officer recorded sincere appreciation to all Board of Directors for their invaluable advice, guidance and trust in him steering the Company and to all Management team, staff, customers, shareholders and stakeholders, business associates, suppliers, bankers and Government Authorities for their support so far.

Finally the Chief Executive Officer proposed a vote of thanks to the Chairman and seconded by majority of members.

The meeting adjourned at 12.15 p.m.

Confirmed on ..... 25 May ..... 2016



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**CHAIRMAN**



# **APPENDIX I**





MSWG Questions**Strategy / Financials**

- 1) As reported in the Chairman Statement, the global economic situation has impacted upon the overall performance of the wholly-owned subsidiaries of the Group. BPSB, registered marginal decrease in most areas of the port's operations in the year under review.

In view of the situation, what measures have or would been taken to address it and what is the plan of the Board with regard to the Group's performance that is set to achieve in the next few years?

Answer:

*The overall cargo throughput has decreased by 1.45% from 45.40 million tonnes in 2014 to 44.74 million tonnes in 2015.*

*The volume of LNG Cargo handled has decreased marginally, totalling 25.09 million tonnes in 2015 compared to 25.49 million tonnes in 2014.*

*Non-LNG cargo handled has also decreased by 0.95% from 19.91 million tonnes in 2014 to 19.72 million tonnes in 2015. The decreased is mainly contributed by Liquid Bulk and Break Bulk Cargoes which recorded a negative growth of 2.01% from 9.45 million tonnes to 9.26 million tonnes, and 19.64% from 1.68 million tonnes to 1.35 million tonnes respectively. The reduction was mainly attributed by the slowdown in export of condensate and petroleum products, and slowdown in export of timber based cargoes. The slowdown in export of timber based cargoes is due to high operating cost faced by local saw mills, limited log supply and fluctuating currency exchange which affects profit margin.*

*However, Dry Bulk Cargoes recorded a positive growth of 21.03% from 3.39 million tonnes in 2014 to 4.11 million tonnes in 2015. The Dry Bulk sector has recorded a stable growth where Silica Quartz, Coke, Palm Kernel Products and Bulk Cement due to high demand from various sectors, especially from the domestic demand vis-à-vis steady commercial, industrial and plantation activities in the Bintulu area and development of Samalaju Industrial Port.*

Measures

- *To optimise the facilities of the break bulk cargo sector which are under-utilised due to the dwindling in cargo volume (especially timber based products and other general cargo), BPSB has embarked on the initiative to provide Base Support Services to the oil and gas related players such as PCSB, PFLNG and Murphy Oil. The Group is expected to gain additional revenue of RM23 mill per year from these activities.*
- *The Group will strive to provide efficient marine services to PETRONAS MLNG, being an anchor customer. PETRONAS MLNG is undertaking the final phase development of a new LNG Train (Train 9 Project). With that, the Group anticipate there will be an upward trend in the production capacity in Q1 2017, from the existing of 25.7 million tonnes to 29.3 million tonnes annually.*

- *The Group will continue its effort to make Bintulu Port the Gateway for fertilizer, as importers of fertilizer are expected to increase their imports by 4 - 6 %. As such BPSB is striving to improve on the bulk fertilizer handling whereby handling of bulk fertilizer will involve simultaneous use of shore crane and ship cranes to increase productivity and for a faster ship turnaround time.*
  
- *The Group will endeavor to strengthen and improve its service delivery and facilities for the Palm Oil Sector. With the completion of the 120m small barge berth in October 2015, there has been improvement in the vessel turnaround time and operational efficiency. The refineries involved in the palm oil industry are Bintulu Edible Oil, SOP Edible Oil, Kirana Oil Refinery, Austral Edible Oil and Borneo Edible Oil. Borneo Edible Oil (Rimbunan Hijau) refinery is expected to complete in October 2016, with an expected volume of 525,000 tonnes annually.*
  
- *After reviewing the cargo throughput and port operational requirement, the Group have rescheduled the following projects for the next five years:*
  - (i) 400m General Cargo Wharf at 2nd Inner Harbour*
  - (ii) 300m Bulk Fertilizer Wharf at 2nd Inner Harbour*
  - (iii) Conversion of 300m General Cargo Wharf for Container Operation*

## 2) Facilities

- a) How much budget has been set aside for developing some facilities for specific cargoes such as clinkers, PKE, etc.?

### Answer:

*BPSB is set to capitalise on enhancing efficiency for the handling of specific cargoes that are potential income generators, particularly palm kernel products, woodchips and palm oil.*

#### Palm Kernel Products

*The Group is embarking on its initiative to use 4 brand new Portable Conveyor Belt System to handle Palm Kernel Products within this year to increase productivity from 6,000 tonnes per day to 8,000 tonnes or more. The volume for Palm Kernel Products is expected to grow up to 5 - 9%.*

#### Woodchips

*The woodchip exporter is planning to install new conveyor belt system that runs directly from its chipping plant to the stockpile yard. The expected total volume will be 500,000 tonnes per annum. The woodchip will be handled at the current wharf at Multi-Purpose Terminal with the new conveyor system and better productivity.*

#### Palm Oil

*The Group has undertaken development of small barge berth of 120m (total cost RM10.0 Million) and the installation of pipelines to that berth (total cost RM1.0 Million) in 2015. This has led to the improvement in operational & service delivery particularly in vessel turnaround time and productivity rate.*

- b) What is the current reliability level of the Group's cranes? How much more cranes needed for replacing the obsolete cranes, if any?

### Answer:

*The Group has four units of quay cranes in operation at Bintulu International Container Terminal (BICT). Two units (ZPMC) cranes were procured in June 2012 and another two units (IMPESA) cranes were procured in year 2000 which have undergone retrofitting work in year 2015 for Drive and PLC System & Associated Main Electrical System. With the four cranes, BICT has the capacity to handle container volume of 400,000 TEUs annually.*

### 3) Port and Concession

a) What is the current port capacity utilisation level and the targeted capacity utilisation to be achieved in 2016?

**Answer:**

*Bintulu Port has an annual capacity of 63.567 Million tonnes. With the cargo throughput and forecast volume in 2016, the port capacity utilization is between 70 - 72%.*

b) Apart from the existing services provided, are there any potential value-added services that the Company could offer to its customer which would generate income to the Group?

**Answer:**

1. *The Group is providing Base Support Services to Production Agreement Contractor (PACs) as follow:*

- *5 years contract with Petronas Carigali Sdn Bhd (from 2016-2021)*
- *5 years contract with PFLNG 1 (from 2016-2021)*
- *5 years contract with Murphy Oil (from 2011-2016)*

*The Base Support Services that are being provided to the PACs as follow:*

- *Storage area (Warehouse and Open Space)*
- *Metal Racking System*
- *MHE (Material Handling Equipment)*
- *CHE (Cargo Handling Equipment)*
- *Manpower*
- *Marine services (pilotage, berth occupancy and vessel shifting)*
- *Passenger handling*
- *Supply of Container Carrying Unit (CCU)*

2. *The Group is working on the possibility of having a Distribution Park at Samalaju Port. This Distribution Park will provide value added services to Samalaju Industrial Park users and to attract cargo beyond Samalaju Industrial Park particularly northern region of Sarawak.*

3. *The Group is also exploring the opportunity of providing bunkering services to commercial vessels at Bintulu Port to diversify the Group's revenue streams.*

**4) What measures have the Board taken to attract new shipping companies/lines to use the port facilities?**

**Answer:**

*Currently there are three (3) Main Line Operators/ Shipping Lines (Evergreen Marine Corporation (Malaysia) Sdn Bhd, Harbour Link Lines Sdn Bhd, SITC Container Lines Co. Ltd) operating at Bintulu International Container Terminal (BICT) which provides four (4) Intra-Asia shipping connectivities. These Shipping Lines offers capacities that are sufficient to service the existing exporters and importers.*

*The Group has formulated business strategy to attract another one Main Line Operator by encouraging them to use BICT as Transshipment Hub. The new potential Shipping Line will then provide more alternative routes and shipping services to the existing users and users at Samalaju Industrial Park.*

*In line with this, the Group is encouraging and attracting Shipping Lines to provide common feeder services from Sabah/Sarawak Ports and Samalaju Port to Bintulu Port for the International connectivities via BICT. Among the point to attract the Shipping Lines is leveraging on BICT's high container productivity and operational efficiency.*

## Corporate Governance

**MSWG is promoting certain standards of corporate governance best practices in PLCs. In this regard, we hope the Board would give due consideration to address the following issue:-**

**We noted that Tan Sri Datuk Amar Hj. Mohamad Morshidi Bin Abdul Ghani had attended 6 out of 12 Board meetings in FY2015. Please explain.**

**Answer:**

*It is the Company policy that the Board meets in person at least once every quarter to facilitate the discharge of their responsibilities. The Board met regularly during the financial year 2015 as all Board meetings are scheduled well in advance before the end of the preceding financial year. It enables the Directors in planning ahead the meeting schedule and locks the dates. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings.*

*For financial year 2015, all Directors have complied with the minimum requirements in respect of attendance at Board Meetings as stipulated in Chapter 15 Paragraph 15.05 of Main Market Listing Requirements (minimum 50% attendance during a financial year).*

*We wish to emphasize that YB Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani has also complied with the minimum requirement of 50% Board meetings attendance as required by the Bursa Malaysia Listing Requirements.*

*Any Director non-attendance at the Board meetings is an exception and with apologies, normally where Directors have last minute urgent matters to attend to. Rest assured that all Directors have made every effort to be present at all Board meetings.*

*In relation thereto, all of the Board of Directors continuously endeavours and will take a progressive actions to achieve higher attendance in the future in order to ensure the discharge of their roles and responsibilities.*