

P R O S P E C T U S



MMC PORT HOLDINGS BERHAD

(Registration No.: 200601028801 (748557-X))

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

INITIAL PUBLIC OFFERING ("IPO") OF UP TO 4,272,000,000 ORDINARY SHARES IN MMC PORT HOLDINGS BERHAD ("MMC PORTS" OR "COMPANY") ("OFFER SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED ORDINARY SHARES IN MMC PORTS ("SHARES") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING AN OFFER FOR SALE OF UP TO 4,272,000,000 EXISTING SHARES INVOLVING:

- (I) INSTITUTIONAL OFFERING OF UP TO 3,985,900,000 OFFER SHARES TO MALAYSIAN AND FOREIGN INSTITUTIONAL AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"); AND
- (II) RETAIL OFFERING OF 286,100,000 OFFER SHARES TO THE DIRECTORS OF MMC PORTS AND KEY SENIOR MANAGEMENT OF MMC PORTS AND ITS SUBSIDIARIES, AND THE MALAYSIAN PUBLIC AT THE RETAIL PRICE OF RM[•] PER OFFER SHARE ("RETAIL PRICE"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AND THE OVER-ALLOTMENT OPTION (AS DEFINED HEREIN). THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF:

- (A) THE RETAIL PRICE; OR
- (B) THE INSTITUTIONAL PRICE.

Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Sole Managing Underwriter and Joint Underwriter



CIMB Investment Bank Berhad

(Registration No. 197401001266 (18417-M))

Joint Global Coordinator and Joint Bookrunner



The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
(Company Registration Number: S16FC0010A)

Joint Bookrunners (in alphabetical order)

AmInvestment Bank Berhad
(Registration No. 197501002220 (23742-V))

Bank Muamalat Malaysia Berhad
(Registration No. 196501000376 (6175-W))

CGS International Securities Malaysia Sdn Bhd
(Registration No.: 197901004504 (48703-W))

CLSA Limited
(Registration No. 156668)
CLSA Securities Malaysia Sdn Bhd
(Registration No. 200501013874 (690921-X))

Jefferies Singapore Limited
(Unique Entity No.: 200605049K)

Kenanga Investment Bank Berhad
(Registration No. 197301002193 (15678-H))

Maybank Investment Bank Berhad
(Registration No. 197301002412)

RHB Investment Bank Berhad
(Registration No. 197401002639 (19663-P))

Joint Underwriters (in alphabetical order)

[•]
(Registration No. [•])

[•]
(Registration No. [•])

[•]
(Registration No. [•])

[•]
(Registration No. [•])

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX MONTHS FROM THE DATE OF THIS PROSPECTUS.

[THE SECURITIES COMMISSION MALAYSIA ("SC") HAS APPROVED THE OFFER OR INVITATION FOR THE OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("APPROVAL").]

[THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED, OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.]

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 36.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

THIS PROSPECTUS IS DATED [•]

All defined terms used in this Prospectus are defined under “Presentation of Financial and Other Information”, and “Definitions” commencing on pages viii and xii of this Prospectus, respectively.

RESPONSIBILITY STATEMENTS

Our Directors, our Promoters and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

CIMB, being the Principal Adviser, Joint Global Coordinator, Joint Bookrunner for the Institutional Offering, and Sole Managing Underwriter and Joint Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

It is to be noted that the role of HSBC in our IPO is limited to being the Joint Global Coordinator and Joint Bookrunner for the Institutional Offering outside of Malaysia. HSBC does not have any role in, and disclaims any responsibility for, the Retail Offering in Malaysia.

It is to be noted that the role of CLSA in our IPO is limited to being the Joint Bookrunner for the Institutional Offering within Malaysia and outside of Malaysia. CLSA does not have any role in, and disclaim any responsibility for, the Retail Offering in Malaysia.

It is to be noted that the role of Jefferies Singapore Limited in our IPO is limited to being the Joint Bookrunner for the Institutional Offering outside of Malaysia. Jefferies Singapore Limited does not have any role in, and disclaims any responsibility for, the Retail Offering in Malaysia.

It is to be noted that the role of AmlInvestment Bank Berhad, Bank Muamalat Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, Kenanga Investment Bank Berhad, Maybank Investment Bank Berhad and RHB Investment Bank Berhad in our IPO is limited to being the Joint Bookrunners for the Institutional Offering.

It is to be noted that the role of [●] and [●] in our IPO are limited to being the Joint Underwriters for the Retail Offering.

STATEMENTS OF DISCLAIMER

[Our Company has obtained the approval of Bursa Securities for our Listing. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.]

[This Prospectus, together with the Application Forms, have also been lodged with the Registrar of Companies, who takes no responsibility for its contents.]

You should rely on your own evaluation to assess the merits and risks of your investment in our Shares. If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

OTHER STATEMENTS

Investors should note that they may seek recourse under Sections 248, 249 and 357 of the CMA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission, or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMA, is responsible.

[Our Shares are classified as Shariah-compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.]

You should not take the agreement by the Sole Managing Underwriter and the Joint Underwriters named in this Prospectus to underwrite our Shares under the Retail Offering as an indication of the merits of our Shares being offered.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. It does not comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. Our Shares are being offered solely on the basis of the information contained and representations made in this Prospectus. Our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Sole Managing Underwriter and the Joint Underwriters have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Sole Managing Underwriter and the Joint Underwriters or any of their respective directors, or any other persons involved in our IPO.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. This Prospectus will not be distributed outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. Our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Sole Managing Underwriter and the Joint Underwriters have not authorised and take no responsibility for the distribution of this Prospectus outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. No action has been taken to permit any offering of our Shares based on this Prospectus in any jurisdiction other than Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of our Shares in certain other jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not be deemed to accept any liability whether or not any enquiry or investigation is made in connection to it.

It will be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you had accepted our IPO in Malaysia and will be subject to the laws of Malaysia in connection to it. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

It will be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither we nor our Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Sole Managing Underwriter and the Joint Underwriters nor any other advisers in relation to our IPO will accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

Our Shares have not been and will not be registered under the U.S. Securities Act and may not be offered, sold, or delivered within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act), unless pursuant to an exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act. Accordingly, our Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S, and within the United States only to “qualified institutional buyers” in reliance on Rule 144A.

Our Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State Securities Commission in the U.S. or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of our IPO or confirmed the accuracy or

adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

ELECTRONIC PROSPECTUS/INTERNET SHARE APPLICATION

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with the SC are the same.

The internet is not a fully secure medium. Your Internet Share Application may be subject to risks of data transmission, computer security threats including viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions. If you doubt the validity or integrity of the Electronic Prospectus, you should immediately request from us or the Issuing House, a paper/printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC will prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

- (i) we do not endorse and are not affiliated in any way to the Third-Party Internet Sites. Accordingly, we are not responsible for the availability of or the content or any data, file or other material provided on the Third-Party Internet Sites. You bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, file or other material provided by such parties; and
- (iii) any data, information, file or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution, you are advised that:

- (i) the Internet Participating Financial Institution is only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institution which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution is not responsible for the integrity of the contents of the Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institution and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secure medium; and
- (iii) the Internet Participating Financial Institution is not liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or Date
Opening of the Institutional Offering ⁽¹⁾	[●] 2025
Issuance of the Prospectus/Opening of the Retail Offering	10:00 a.m., [●] 2025
Closing of the Retail Offering	5:00 p.m., [●] 2025
Closing of the Institutional Offering	[●] 2025
Price Determination Date	[●] 2025
Balloting of applications for the Offer Shares under the Retail Offering	[●] 2025
Transfer of the Offer Shares to successful applicants	[●] 2025
Listing	[●] 2025

[Note:

- (1) *Other than the Institutional Offering to the Cornerstone Investors. The Master Cornerstone Placement Agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on [●] 2025.]*

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” or “MMC Ports” are to MMC Port Holdings Berhad. All references to “our Group” are to our Company, our subsidiaries and a joint venture taken as a whole. All references to “we”, “us”, “our” and “ourselves” are to our Company and where the context otherwise requires, our Group. All references to “you” are to our prospective investors.

All references to the “Selling Shareholder” are to MMC Corp. All references to “our Promoters” are to MMC Corp and Seaport Terminal.

All references to “you” are to our prospective investors.

Any discrepancies in the tables between the amounts listed and the total amount in this Prospectus are due to rounding adjustments. Other abbreviations and acronyms used in this Prospectus are defined in the “Definitions” section and technical terms used in this Prospectus are defined in the “Glossary of Technical Terms” section. Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. References to persons shall, where applicable, include companies and corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of the stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of the stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of the stock exchange for the time being in force and unless otherwise specified, is a reference to an enactment by Malaysia.

Any reference to a date and time shall be a reference to a date and time in Malaysia, unless otherwise stated.

All references to the LPD in this Prospectus are to 9 May 2025, being the latest practicable date prior to the registration of this Prospectus with the SC.

The information on our website or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on those information for the purposes of your decision whether or not to invest in our Shares.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding the growth and performance of the industry in which we operate and our estimated market share. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report included in Section 8 of this Prospectus. We have appointed Drewry to provide an independent market and industry review. In compiling its data for the review, Drewry relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry.

Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

For the purpose of this Prospectus, EBITDA is calculated as our profit for the financial year plus (i) taxation; (ii) finance costs; and (iii) depreciation and amortisation, less (iv) finance income.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION *(Cont'd)*

EBITDA and related ratios presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the MFRS or IFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the MFRS or IFRS and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with the MFRS or IFRS or as alternatives to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (including the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-MFRS and non-IFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and prospective investors should not consider it in isolation from or as a substitute for analysis of our financial condition or results of operations, as reported under the MFRS and IFRS. Due to these limitations, EBITDA should not be considered as measure of discretionary cash available to invest in the growth of our business.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current view with respect to future events and do not guarantee future performance. Forward-looking statements can be identified by the use of forward-looking terminologies including the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions, and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our services;
- (ii) our business strategies and competitive position;
- (iii) our future financial position, earnings, cash flows and liquidity;
- (iv) potential growth opportunities; and
- (v) regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) finance costs, interest rates, tax rates and foreign exchange rates;
- (ii) future regulatory or government policy changes affecting us or the markets in which we operate or may operate;
- (iii) delays, cost overruns, shortages in skilled resources or problems with the execution of our expansion plans;
- (iv) competitive environment of the industry in which we operate;
- (v) the assumptions considered in arriving at the expected market capitalisation upon our Listing;
- (vi) reliance on licences, permits and approvals;
- (vii) general economic, business, social, political and investment environment where we operate or may operate;
- (viii) continued availability of capital and financing;
- (ix) significant capital expenditure requirements;
- (x) cost and availability of adequate insurance coverage;
- (xi) fixed or contingent obligations and commitments;
- (xii) changes in accounting standards and policies; and
- (xiii) other factors beyond our control.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 5 of this Prospectus on “Risk Factors” and Section 12.2 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of transfer of the Offer Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

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DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

ACCA	: Association of Chartered Certified Accountants
Actuarial Partners	: Actuarial Partners Consulting Sdn Bhd
ADA	: Authorised Depository Agent
Admission	: Admission of our Shares to the Official List of the Main Market of Bursa Securities
AGM	: Annual general meeting
AIGA	: Anugerah Integriti, Governans dan Antirasuah or Integrity, Governance and Anti-Corruption Award
A.P.Moller-Maersk Group	A.P.Moller–Maersk A/S and its subsidiaries
APMT AMI	: APM Terminals AMI Management DMCEST
APSN	: Asia-Pacific Economic Cooperation Port Services Network
Application	: Application of the Offer Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Forms	: Application form for the application of the Offer Shares under the Retail Offering accompanying this Prospectus
ATM	: Automated teller machine
Auditors or Reporting Accountants	: PricewaterhouseCoopers PLT
Authorised Financial Institution	: Authorised financial institution participating in the Internet Share Application in respect of the payment for the Offer Shares
B2B exemption	: Exemption under item 5 of the Service Tax (Persons Exempted from Payment of Tax) Order 2018, i.e. business-to-business exemption
BDS	: Limbungan Bagan Dalam / Bagan Dalam Slipway
BDWW	: Butterworth Deep Water Wharves
Board or Board of Directors	: Board of Directors of our Company
BOMBA	: Fire and Rescue Department of Malaysia

DEFINITIONS *(Cont'd)*

Bumiputera	: In the context of:
	(i) individuals - Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia;
	(ii) companies - companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI:
	(a) registered under the Act as a private company;
	(b) its shareholders are 100.0% Bumiputera; and
	(c) its board of directors (including its staff) are at least 51.0% Bumiputera; and
	(iii) cooperatives - cooperatives whose shareholders or cooperative members are at least 95.0% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad
CAGR	: Compound annual growth rate, computed through the formula: $\text{CAGR} = (\text{Ending amount} / \text{Beginning amount})^{1/N} - 1$ Ending amount is the amount at the end of the period; Beginning amount is the amount at the beginning of the period; and N is the number of years within the period
CCC or CF	: Certificate of completion and compliance or certificate of fitness for occupation or such certificate by any other name issued by the relevant authority under the SDBA 1974 and any by-laws made under it or such relevant legislation applicable at the material time
CCM	: Companies Commission of Malaysia
CCTV	: Closed-circuit television, refers to a video surveillance system where the video feeds are transmitted to a limited set of monitors
CDS	: Central Depository System
CIMA	: Chartered Institute of Management Accountants
CIMB or Principal Adviser	: CIMB Investment Bank Berhad
CIMB Group	: Collectively, CIMB Group Holdings Berhad, and the subsidiaries, related and associated companies of its holding company
CIMB Securities	: CIMB Securities Sdn Bhd
CIPS	: Chartered Institute of Procurement and Supply
CLSA	: Collectively, CLSA Limited and CLSA Securities Malaysia Sdn Bhd
Concession Lands	: Designated lands by the Privatisation Agreements to be used for port operations
Constitution	: Constitution of our Company

DEFINITIONS *(Cont'd)*

Construction Contract Cost	:	Cost recorded in accordance with MFRS 15 – Revenue from Contract with Customers as stated in IC Interpretation 12 in relation to the construction or upgrade of the port and terminal infrastructure under concession
Construction Contract Revenue	:	Revenue recorded in accordance with MFRS 15 – Revenue from Contract with Customers as stated in IC Interpretation 12 in relation to the construction or upgrade of the port and terminal infrastructure under concession
Cornerstone Investors	:	Collectively, [●]
COVID-19	:	An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
Depositor	:	A person having a securities account with Bursa Depository
Director(s)	:	Director(s) of our Company
DOSH	:	Department of Occupational Safety and Health
DP World	:	DP World Asia Limited (now known as DP World Limited)
DRB-HICOM Group	:	Certain subsidiaries of DRB-HICOM Berhad
Drewry or IMR	:	Drewry Maritime Services (Asia) Pte Ltd, the Independent Market Researcher
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
ECRL	:	East Coast Rail Link
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium including, but not limited to compact disc read only memory (CD-ROMs)
Electronic Share Application	:	Application for the Offer Shares under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, our Directors and key senior management of our Group who are eligible to participate in the Retail Offering
EPF	:	Employees Provident Fund
EPS	:	Earnings per Share
Equity Guidelines	:	Equity Guidelines issued by the SC
ESG	:	Environmental, social and governance
Evergreen	:	Evergreen Marine Corp. (Malaysia) Sdn Bhd
Excess Offer Shares	:	Offer Shares not taken up by any of the Eligible Persons
FFB	:	Fresh fruit bunches
Final Retail Price	:	Final price per Offer Share to be paid by the investors under the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date

DEFINITIONS *(Cont'd)*

Financial Years Under Review	: Collectively, the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024
FYE	: Financial year ended or where the context otherwise requires, financial year ending
GDP	: Gross domestic product
Government	: Government of Malaysia
GP	: Gross profit
GPAS	: Green Port Award System by the APSN
Group or MMC Ports Group	: Collectively, our Company, our subsidiaries and joint venture
HSBC	: The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
HSBC Group	: HSBC Holdings Plc and its other subsidiaries including HSBC Bank Malaysia Berhad and HSBC Amanah Malaysia Berhad
IAPH	: International Association of Ports and Harbors
IASS	: Investment Allowance for Service Sector
ICAEW	: Institute of Chartered Accountants in England and Wales
ICDM	: Institute of Corporate Directors Malaysia
IC Interpretation 12	: IC Interpretation 12 Service Concession Arrangements issued by the International Financial Reporting Interpretations Committee, which is a part of the International Accounting Standards Board
IFRS	: International Financial Reporting Standards as issued by the International Accounting Standards Board
IMF	: International Monetary Fund
IMR Report	: Independent market research report dated 12 June 2025 prepared by Drewry, as set out in Section 8 of this Prospectus
Indra Cita	: Indra Cita Sdn Bhd
Initial Public Offering or IPO	: Initial public offering comprising the Offer for Sale
Institutional Offering	: Offering of up to 3,985,900,000 Offer Shares at the Institutional Price, subject to the clawback and reallocation provisions and the Over-allotment Option, to: (i) Malaysian institutional and selected investors; (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and (iii) “qualified institutional buyers” in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act

DEFINITIONS (*Cont'd*)

Institutional Price	:	Price per Offer Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Interasia	:	Interasia Lines (M) Sdn Bhd
Internet Participating Financial Institution(s)	:	Participating financial institution(s) for the Internet Share Application
Internet Share Application	:	Application for the Offer Shares under the Retail Offering through an Internet Participating Financial Institution
IoT	:	Internet of Things
Issuing House	:	Malaysian Issuing House Sdn Bhd
ISO	:	International Organisation for Standardisation
IT	:	Information technology
ITA	:	Investment tax allowance
Joint Bookrunners	:	Collectively, AmlInvestment Bank Berhad, Bank Muamalat Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, CIMB, CLSA, Jefferies Singapore Limited, HSBC, Kenanga Investment Bank Berhad, Maybank Investment Bank Berhad and RHB Investment Bank Berhad
Joint Global Coordinators	:	Collectively, CIMB and HSBC
Joint Underwriters	:	Collectively, CIMB and [●]
Kejora	:	Kejora Resources Sdn Bhd
Kontena Nasional	:	Kontena Nasional Berhad
K.S.P.	:	K.S.P. Towage Sdn Bhd
Lease Agreements	:	Collectively, PTP Lease Agreement, Johor Port Lease Agreement, Northport Lease Agreement, Penang Port Lease Agreement and Tanjung Bruas Port Lease Agreement
Listing	:	Listing of and quotation for the entire issued Shares on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	9 May 2025, being the latest practicable date prior to the registration of this Prospectus with the SC
Maybank	:	Malayan Banking Berhad
Maersk companies	:	Companies associated with A.P.Moller – Maersk A/S
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	:	A day on which Bursa Securities is open for trading in securities

DEFINITIONS *(Cont'd)*

[Master Cornerstone Placement Agreement]	: [Master cornerstone placement agreement dated [●] between our Company, the Selling Shareholder, the Joint Global Coordinators, the Joint Bookrunners and the Cornerstone Investors as detailed in Section 14.6.6 of this Prospectus]
MCCG	: Malaysian Code on Corporate Governance issued by the SC
MFRS	: Malaysian Financial Reporting Standards as issued by the Malaysian Accounting Standards Board
MIA	: Malaysian Institute of Accountants
MITI	: Ministry of Investment, Trade and Industry of Malaysia
MMC Corp	: MMC Corporation Berhad
MMC Corp Group	: Collectively, MMC Corp and its subsidiaries
MMC Land	: MMC Land Sdn Bhd
MMC Land Group	: Collectively, MMC Land Sdn Bhd and certain of its subsidiaries
MMC Logistics Group	: Collectively, MMC Logistics Holdings Sdn Bhd and certain of its subsidiaries
MMC Ports or Company	: MMC Port Holdings Berhad
MOF	: Ministry of Finance, Malaysia
MOF Inc.	: Minister of Finance (Incorporated)
MSC	: MSC Mediterranean Shipping Company SA
N/A	: Not applicable
NA	: Net assets
NBCT	: North Butterworth Container Terminal
N.E.C	: Not elsewhere classified
Offer for Sale	: Offer for sale of up to 4,272,000,000 Offer Shares by the Selling Shareholder
Offer Shares	: Existing Shares to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	: A list specifying all securities listed on Bursa Securities
OPR	: Overnight Policy Rate
OTC	: Overhead travelling crane
Over-allotment Option	: The over-allotment option granted by the Over-allotment Option Provider to the Stabilising Manager (on behalf of the Placement Managers) for up to 640,800,000 Shares or 15.0% of the total number of Offer Shares offered
Over-allotment Option Provider	: MMC Corp

DEFINITIONS *(Cont'd)*

Participating Financial Institution(s)	: Participating financial institution(s) for the Electronic Share Application
Participating Securities Firm(s)	: Participating securities firm(s) for the Internet Share Application
PATAMI	: Profit after taxation attributable to owner of our Company, which excludes profit after taxation attributable to non-controlling interests
PBCT	: Prai Bulk Cargo Terminal
PBR	: Price-to-book ratio
PBT	: Profit before zakat and taxation
PER	: Price-to-earnings ratio
PetDag	: Petronas Dagangan Berhad
PETRONAS	: Petroliam Nasional Berhad
Pink Application Form	: Application form for the application of the Offer Shares under the Retail Offering by the Eligible Persons accompanying this Prospectus
Placement Agreement	: The placement agreement to be entered into by our Company, the Selling Shareholder, the Joint Global Coordinators and the Joint Bookrunners in respect of such number of Offer Shares to be offered under the Institutional Offering
Placement Managers	: Collectively, [●]
Price Determination Date	: The date on which the Institutional Price and Final Retail Price will be determined
Privatisation Agreements	: Collectively, PTP Privatisation Agreement, Johor Port Privatisation Agreement, Northport Privatisation Agreement, Penang Port Privatisation Agreement and Tanjung Bruas Port Privatisation Agreement
Promoters	: Collectively, MMC Corp and Seaport Terminal
Prospectus	: This Prospectus dated [●] 2025 issued by our Company
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
PRTU	: Pangkalan Raja Tun Uda
PSAH	: Pangkalan Sultan Abdul Halim
PW	: Prai Wharf
Ranhill Utilities	: Ranhill Utilities Berhad
RBL	: RSGTI Bangladesh Ltd.
RCPS	: Redeemable convertible preference shares
Record of Depositors	: A record of securities holders established by Bursa Depository under the Rules of Bursa Depository

DEFINITIONS *(Cont'd)*

Regulation S	: Regulation S under the U.S. Securities Act
Retail Offering	: Offering of 286,100,000 Offer Shares at the Retail Price, subject to the clawback and reallocation provisions, to be allocated in the following manner: (a) 1,300,000 Offer Shares reserved for application by the Eligible Persons; and (b) 284,800,000 Offer Shares for application by the Malaysian Public, via balloting
Retail Price	: Initial price of RM[●] per Offer Share to be fully paid upon application under the Retail Offering, subject to adjustment as detailed in Section 4.4.1 of this Prospectus
Retail Underwriting Agreement	: Retail underwriting agreement dated [●] entered into between our Company, the Sole Managing Underwriter and the Joint Underwriters for the underwriting of the Offer Shares under the Retail Offering
RSGT	: Red Sea Gateway Terminal Company Limited
RSGTI	: Red Sea Gateway Terminal International Limited
RSPD	: Red Sea Ports Development Company Limited
RSPDI	: Red Sea Ports Development International Limited
Rule 144A	: Rule 144A under the U.S. Securities Act
Rules of Bursa Depository	: The rules of Bursa Depository as issued under the SICDA
SAC	: Shariah Advisory Council of the SC
Safmarine	: South African Marine Container Lines N.V.
SAJH	: SAJ Holdings Sdn Bhd
SC	: Securities Commission Malaysia
SCR	: The selective capital reduction and repayment exercise pursuant to Section 116 of the Act undertaken by MMC Corp, which was completed on 3 December 2021
Seaport Terminal	: Seaport Terminal (Johore) Sdn Bhd
Seaport Terminal Group	: Collectively, Seaport Terminal and its related companies, including the MMC Corp Group which includes our Group
Seaport Worldwide	: Seaport Worldwide Sdn Bhd
Selling Shareholder	: MMC Corp
Shares	: Ordinary shares in our Company
Share Registrar	: Boardroom Share Registrars Sdn Bhd

DEFINITIONS *(Cont'd)*

Share Lending Agreement	:	The agreement to be entered into by the Over-allotment Option Provider and the Stabilising Manager under which the Over-allotment Option Provider will lend our Shares to the Stabilising Manager to cover over-allotments, if any, under the Over-allotment Option
Sole Managing Underwriter	:	CIMB
Special Shareholder	:	Holder of the special shares
sq. ft.	:	Square feet
sq. m.	:	Square metres
Stabilising Manager	:	CIMB
Subdivision	:	Subdivision of our 3,560,000,000 Shares into 14,240,000,000 Shares, which was completed on [●]
Terberg	:	Terberg Tractors Malaysia Sdn Bhd
TNB	:	Tenaga Nasional Berhad
Tradewinds Group	:	Certain subsidiaries of Tradewinds Group (M) Sdn Bhd
TSCK	:	Tan Sri Che Khalib bin Mohamad Noh
TSSM	:	Tan Sri Dato' Seri Syed Mokhtar Shah bin Syed Nor
TVET	:	Technical Vocational Education Training
UKAS	:	Unit Kerjasama Awam Swasta or Public Private Partnership Unit of Prime Minister's Department of Malaysia
UN DESA	:	United Nations Department of Economic and Social Affairs
UNGCMYB	:	United Nations Global Compact Network Malaysia and Brunei
U.S. or United States	:	United States of America, its territories and possessions, any state if the United States and the District of Columbia
U.S. Securities Act	:	United States Securities Act of 1933
VOTP	:	Vegetable oil tank pier
WACC	:	Weighted average cost of capital
Wan Hai	:	Wan Hai Lines (M) Sdn Bhd
Westports	:	Westports located at Pulau Indah, Port Klang, which is operated by Westports Holdings Berhad
White Form Application	:	Application form for the application of the Offer Shares under the Retail Offering by the Malaysian Public accompanying this Prospectus

Subsidiaries

APSB	:	Andaman Port Sdn Bhd
JPB	:	Johor Port Berhad

DEFINITIONS *(Cont'd)*

JP Logistics	:	JP Logistics Sdn Bhd
Klang Management Port	:	Klang Port Management Sdn Bhd
Langkawi CT	:	Langkawi Cruise Terminal Sdn Bhd
Manpower Excellence	:	Manpower Excellence Sdn Bhd
MMCPSSC	:	MMCP Shared Services Centre Sdn Bhd
NCB Holdings	:	NCB Holdings Bhd
NMB	:	Northport (Malaysia) Bhd
Northport Distripark	:	Northport Distripark Sdn Bhd
PPHCS	:	Penang Port Human Capital Services Sdn Bhd
PPSB	:	Penang Port Sdn Bhd
PTES	:	Pelepas Terminal Engineering Services Sdn Bhd
PTIS	:	Pelepas Terminal Inland Services Sdn Bhd
PTPSB	:	Pelabuhan Tanjung Pelepas Sdn Bhd
SPT Services	:	SPT Services Sdn Bhd
Swettenham Pier CT	:	Swettenham Pier Cruise Terminal Sdn Bhd
TBPSB	:	Tanjung Bruas Port Sdn Bhd

Joint venture

Port Klang CT	:	Port Klang Cruise Terminal Sdn Bhd

Ports

Johor Port	:	Johor Port located in Johor, which is operated by JPB
Northport	:	Northport and Southpoint located in Selangor, which are operated by NMB
Penang Port	:	Penang Port located in Penang, which is operated by PPSB
PTP	:	Port of Tanjung Pelepas located in Johor, which is operated by PTPSB
Tanjung Bruas Port	:	Tanjung Bruas Port located in Melaka, which is operated by TBPSB
Yan STS Port	:	Yan STS Port located in Kedah, where APSB conducts its STS transfer services

Cruise terminals

LCT	:	Langkawi Cruise Terminal located in Kedah
PKCT	:	Port Klang Cruise Terminal located in Selangor

DEFINITIONS (Cont'd)

SPCT : Swettenham Pier Cruise Terminal located in Penang

Port authorities

JPA : Johor Port Authority

MPA : Malacca Port Authority

PKA : Port Klang Authority

PPC : Penang Port Commission

Privatisation Agreements

Johor Privatisation Agreement Port : Collectively, the privatisation agreement dated 16 January 1993 and as supplemented by:

- (i) the first supplementary privatisation agreement dated 26 February 1993;
- (ii) the second supplementary privatisation agreement dated 24 March 1995;
- (iii) the third supplementary privatisation agreement dated 27 March 2007;
- (iv) the fourth supplementary privatisation agreement dated 4 October 2010;
- (v) the fifth supplementary privatisation agreement dated 19 October 2022; and
- (vi) the sixth supplementary privatisation agreement dated 19 October 2022,

all of which were entered into between the Government, JPA and JPB

Northport Privatisation Agreement : Collectively, the privatisation agreement dated 6 March 2018 and as supplemented by:

- (i) the first supplemental agreement dated 13 December 2019;
- (ii) the second supplemental agreement dated 19 October 2022; and
- (iii) the third supplemental agreement dated 27 December 2023,

all of which were entered into between the Government, PKA and NMB

Penang Privatisation Agreement Port : Collectively, the privatisation agreement dated 31 December 1993 and as supplemented by:

- (i) the first supplemental agreement dated 21 November 2013;
- (ii) the second supplemental agreement dated 4 December 2021; and
- (iii) the third supplemental agreement dated 17 November 2022,

all of which were entered into between the Government, PPC and PPSB

DEFINITIONS (Cont'd)

PTP Privatisation Agreement : Collectively, the privatisation agreement dated 24 March 1995 between the Government, JPA and Seaport Terminal, as novated to PTPSB via a novation agreement dated 24 March 1995 between the Government, JPA, Seaport Terminal and PTPSB, and as supplemented by:

- (i) the supplemental privatisation agreement dated 10 February 2009; and
- (ii) the second supplemental privatisation agreement dated 25 May 2023,

both of which were entered into between the Government, JPA and PTPSB

Tanjung Bruas Port Privatisation Agreement : Collectively, the privatisation agreement dated 20 May 2016 and as supplemented by:

- (i) the supplemental agreement dated 11 June 2019; and
- (ii) the second supplemental agreement dated 19 October 2022,

all of which were entered into between the Government, MPA and TBPSB

Lease Agreements

Johor Port Lease Agreement : Collectively, two agreements for lease of lands, both dated 27 March 2007 and as supplemented by a supplementary lease agreement dated 4 October 2010 (in relation to one agreement for lease of a land), all of which were entered into between JPA and JPB

Northport Lease Agreement : Collectively:

- (i) the lease agreement dated 13 December 2019;
- (ii) the lease agreement (for two parcels of land) dated 13 December 2019 as supplemented by a supplemental lease agreement dated 22 March 2023;
- (iii) three contracts to sub-lease all dated 13 December 2019; and
- (iv) the lease agreement dated 26 March 2024,

all of which were entered into between PKA and NMB

Penang Port Lease Agreement : Collectively, the lease agreement dated 21 November 2013 and as supplemented by:

- (i) the first supplemental lease agreement dated 1 May 2018;
- (ii) the second supplemental lease agreement dated 1 January 2021; and
- (iii) the third supplemental lease agreement dated 4 December 2021,

all of which were entered into between PPC and PPSB

PTP Lease Agreement : Collectively, the agreement for lease dated 24 March 1995 and as supplemented by a supplement agreement for lease dated 10 February 2009, all of which were entered into between JPA and PTPSB

DEFINITIONS *(Cont'd)*

Tanjung Bruas Port Lease Agreement : Collectively, the lease agreement dated 20 November 2016 and sub-lease agreements dated 20 November 2016, all of which were entered into between MPA and TBPSB

Acts or regulations

Act : Companies Act, 2016

Act 1965 : Companies Act, 1965

CMSA : Capital Markets and Services Act, 2007

EQA 1974 : Environmental Quality Act 1974

OSHA : Occupational Safety and Health Act 1994, as amended by Occupational Safety and Health (Amendment) Act 2022

PAA 1963 : Port Authorities Act, 1963

Port Regulations : Collectively, the PAA 1963, PPCA 1955 and Ports PA 1990

Ports PA 1990 : Ports (Privatisation) Act, 1990

PPCA 1955 : Penang Port Commission Act, 1955

SDBA 1974 : Street, Drainage and Building Act, 1974

SICDA : Securities Industry (Central Depositories) Act, 1991

Currencies

RM and sen : Ringgit Malaysia and sen, the lawful currency of Malaysia

USD : United States Dollar, the lawful currency of the U.S.

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GLOSSARY OF TECHNICAL TERMS

FWT	: Freight weight tonne
hub-and-spoke transshipment model	: A logistics system where a central hub has connectivity to various non-central locations, and the central hub is used to consolidate and redistribute cargo to various locations
import/export	: Cargo that is transported into Malaysia from abroad or from Malaysia to foreign markets
intermodal	: A transportation method that involves the use of multiple modes of transport—such as rail, ship, and truck—to move goods from their origin to their destination
LED	: Light emitting diode, a highly energy-efficient light source that emits light when an electric current passes through a semiconductor
marine services	: Services that we provide services to ensure the safe and efficient movement of vessels within our port limits
move	: The handling of a container at a port of terminal, such as loading, unloading and repositioning
moves per hour	: The number of moves completed in one hour
MT	: Metric tonne
reefer	: Refrigerated container used for transporting perishable goods that need to be kept at a controlled temperature during transit
RORO	: Roll-on roll-off cargo service, which refers to a type of shipping method where cargo is driven on and off the vessel using its own wheels, such as cars, trucks, trailers, and other wheeled vehicles
RTG	: Rubber-tyred gantry crane. A type of crane that moves on wheels (typically rubber tyres), rather than on rails or tracks, used in container terminals and port operations to move shipping containers
TEU	: Twenty-foot equivalent unit
throughput	: The volume of cargo that are handled by a port or terminal over a specific period of time
transshipment	: Cargo that is transported from one destination abroad to another
STS	: Ship-to-ship transfer, which refers to the process of transferring cargo directly between two ships, typically while they are at anchor or in port, rather than unloading the cargo to a terminal or port facility

1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Nationality / Gender	Address
Tan Sri Che Khalib bin Mohamad Noh	Non-Independent Non-Executive Chairman	Malaysian/ Male	No. 6, Jalan Kenyalang 11/6C Kota Damansara PJU 5 47810 Petaling Jaya Selangor
Sharifah Sofia binti Syed Mokhtar Shah	Non-Independent Non-Executive Director	Malaysian/ Female	5, Pinggiran Tunku Bukit Tunku 50480 Kuala Lumpur
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Independent Non-Executive Director	Malaysian/ Male	52A, Jalan Anjung U8/34 Bukit Jelutong 40150 Shah Alam Selangor
Johari bin Abdul Muid	Independent Non-Executive Director	Malaysian/ Male	11A, Jalan PJU 7/23 Mutiarra Damansara 47800 Petaling Jaya Selangor
Aznita binti Abdul Aziz	Independent Non-Executive Director	Malaysian/ Female	94 Lengkok Aminuddin Baki Taman Tun Dr Ismail 60000 Kuala Lumpur
Datuk Syed Hamadah Syed Othman	Independent Non-Executive Director	Malaysian/ Male	Lot 9051, Lorong Cahaya Kg. Sg. Penchala 60000 Kuala Lumpur

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1. CORPORATE DIRECTORY (Cont'd)**AUDIT COMMITTEE**

Name	Designation	Directorship
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Chairman	Independent Non-Executive Director
Johari bin Abdul Muid	Member	Independent Non-Executive Director
Datuk Syed Hamadah Syed Othman	Member	Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Johari bin Abdul Muid	Chairman	Independent Non-Executive Director
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Member	Independent Non-Executive Director
Aznita binti Abdul Aziz	Member	Independent Non-Executive Director

FINANCIAL, INVESTMENT AND RISK COMMITTEE

Name	Designation	Directorship
Aznita binti Abdul Aziz	Chairman	Independent Non-Executive Director
Sharifah Sofia binti Syed Mokhtar Shah	Member	Non-Independent Non-Executive Director
Johari bin Abdul Muid	Member	Independent Non-Executive Director
Datuk Syed Hamadah Syed Othman	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARIES	: Sazlin Ayesha binti Abdul Samat Ground Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur Professional qualification: Licensed Secretary (LS) (License No.: LS0008112) (CCM Practicing Certificate No.: 201908000994) Sharifah Ashtura Jamalullail binti Syed Osman Ground Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur Professional qualification: Licensed Secretary (LS) (License No.: LS0009113) (CCM Practicing Certificate No.: 201908001128)
REGISTERED OFFICE	: Ground Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur Tel. No.: +603 2071 1000
HEAD/MANAGEMENT OFFICE	: 5 th Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur Tel. No.: +603 2071 1000 Website: https://www.mmcpports.com.my/ E-mail: investor@mmcpports.com.my
SELLING SHAREHOLDER	: MMC Corporation Berhad Ground Floor, Wisma Budiman Persiaran Raja Chulan 50200 Kuala Lumpur
AUDITORS AND REPORTING ACCOUNTANTS	: PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146) Level 10, Menara TH 1 Sentral Jalan Rakyat Kuala Lumpur Sentral P.O. Box 10192 50706 Kuala Lumpur Tel. No.: +603 2173 1188 Partner-in-charge: Gan Wee Fong Professional qualification: Member of MIA (MIA membership No.: 21462)
PRINCIPAL ADVISER, SOLE MANAGING UNDERWRITER AND JOINT UNDERWRITER	: CIMB Investment Bank Berhad 17 th Floor, Menara CIMB No. 1, Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel. No.: +603 2261 8888

1. CORPORATE DIRECTORY (Cont'd)

**JOINT GLOBAL
COORDINATORS AND JOINT
BOOKRUNNERS**
(in alphabetical order): **CIMB Investment Bank Berhad**
17th Floor, Menara CIMB
No. 1, Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Tel. No.: +603 2261 8888**The Hongkong and Shanghai Banking Corporation
Limited, Singapore Branch**
10 Marina Boulevard
Marina Bay Financial Centre Tower 2, #48-01
Singapore 018983**JOINT BOOKRUNNERS**
(in alphabetical order): **AmInvestment Bank Berhad**
Level 22, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: +603 2036 2633**Bank Muamalat Malaysia Berhad**
30th Floor, Menara Bumiputra
Jalan Melaka, 50100 Kuala Lumpur
Tel. No.: +603 2600 5500**CGS International Securities Malaysia Sdn Bhd**
Level 22, Menara IQ,
Lingkar TRX,
Tun Razak Exchange,
55188 Kuala Lumpur
Tel. No.: +603 2276 8888**CLSA Limited**
18/F, One Pacific Place
88 Queensway
Hong Kong
Tel. No.: +852 2600 8888**CLSA Securities Malaysia Sdn Bhd**
Suite 21-01, Level 21,
Menara Generali,
27 Jalan Sultan Ismail,
50250 Kuala Lumpur
Tel. No.: +603 2056 7888**Jefferies Singapore Limited**
80 Raffles Place
#15-20 UOB Plaza 2
Singapore 048624
Tel. No. : +65 6551 3950**Kenanga Investment Bank Berhad**
Level 17, Kenanga Tower,
237, Jalan Tun Razak
50400 Kuala Lumpur
Tel. No.: +603 2172 2888

1. CORPORATE DIRECTORY (Cont'd)

Maybank Investment Bank Berhad

32nd Floor, Menara Maybank
 100, Jalan Tun Perak
 50050 Kuala Lumpur
 Tel. No.: +603 2059 1888

RHB Investment Bank Berhad

Level 10, Tower One
 RHB Centre
 Jalan Tun Razak
 50400 Kuala Lumpur
 Tel. No.: +603 9287 3888

JOINT UNDERWRITERS
(in alphabetical order)

: **[bank]**
 [address]
 Tel. No.: []

LEGAL ADVISERS

: *To our Company as to Malaysian law*

Lee Choon Wan & Co.

No. 12, Lorong Dungun
 Damansara Heights
 50490 Kuala Lumpur
 Tel. No.: +603 2093 0078

*To our Company as to United States federal securities law
 and English law*

Latham & Watkins LLP

9 Raffles Place
 #42-02 Republic Plaza
 Singapore 048619
 Tel. No.: +65 6536 1161

*To the Joint Global Coordinators, Joint Bookrunners, Sole
 Managing Underwriter and Joint Underwriters as to
 Malaysian law*

Kadir Andri & Partners

Suite A-38-8, Level 38 Menara UOA Bangsar
 5, Jalan Bangsar Utama 1
 59000 Kuala Lumpur
 Tel. No.: +603 2780 2888

*To the Joint Global Coordinators and Joint Bookrunners as
 to United States federal securities law and English law*

Baker & McKenzie.Wong & Leow

38 Beach Road #23-11
 South Beach Tower
 Singapore 189767
 Tel No.: +65 6338 1888

1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT MARKET RESEARCHER	:	Drewry Maritime Services (Asia) Pte Ltd #17-01 Springleaf Tower 3 Anson Road Singapore 079909 Tel. No.: +65 6220 9890 Name of IMR signee: Jayendu Krishna <i>(See Section 8 of this Prospectus for the profile of the firm and signing partner)</i>
SHARE REGISTRAR	:	Boardroom Share Registrars Sdn Bhd 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel. No.: +603 7890 4700
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel. No.: +603 7890 4700
LISTING SOUGHT	:	Main Market of Bursa Securities

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2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

The SC has, via its letter dated [●], approved our IPO and our Listing under Section 214(1) of the CMSA, subject to compliance with the following condition:

No.	Details of condition imposed	Status of compliance
(i)	[●]	[●]

The SC has also via its letter dated [●] approved our IPO and our Listing under the equity requirement for public listed companies.

The SC has, via its letters dated 23 July 2025 and [●], approved the reliefs sought by us from having to comply with certain requirements under the Equity Guidelines and the Prospectus Guidelines. The details of the reliefs sought are as follows:

Reference	Details of relief granted	Condition imposed (if any)
Equity Guidelines Paragraph 5.11	Relief from having to comply with the requirement that all trade debts exceeding the normal credit period owing by the interested persons must be fully settled prior to the listing.	[●]
Paragraphs 1(f)(i), (ii) and (iv) of Appendix I, Part IV	Relief from having to submit to the SC, the following information in respect of substantial shareholders of MMC Ports' non-wholly-owned subsidiaries namely, PTPSB and PTIS and a jointly-controlled entity of MMC Ports namely, Port Klang CT: (i) the ultimate beneficial ownership of shares held under nominees or corporations (other than those held by MMC Ports); (ii) any changes in substantial shareholders and their shareholdings (other than MMC Ports) over the past three years or since the date of incorporation, if less than three years; and (iii) for corporations, their registration numbers, country of incorporation and current addresses.	-
Paragraph 2(e) of Appendix 1, Part IV	Relief from having to provide information on previous major corporate proposals (including initial public offerings, chain listings, acquisitions resulting in a significant change in the business direction or policy of a listed corporation, transfers of listing and corporate bonds or sukuk issuances) submitted by MMC Ports Group to the SC which are still subsisting, if any, such that information provided will be from the point at which the entities within the MMC Ports Group became subsidiaries or jointly-controlled entity of MMC Corp, where the information relating to major corporate proposals is in line with the record-keeping requirements of the Act.	-
Paragraph 2(f) of Appendix 1, Part IV	Relief from having to provide information on material corporate proposals submitted by MMC Ports Group to a securities exchange or a securities regulator outside Malaysia since incorporation, such that information provided will be from the point at which entities within the MMC Ports Group became subsidiaries or jointly controlled entity of MMC Corp, where the information is in line with the record-keeping requirements of the Act.	-

2. INTRODUCTION (Cont'd)

Reference	Details of relief granted	Condition imposed (if any)
Paragraphs 2(a) and (b) of Appendix 4	Relief from having to comply with the requirement in respect of the placement of the Offer Shares to certain persons connected to the Joint Global Coordinators and Joint Bookrunners.	[•]
Prospectus Guidelines		
Paragraph 15.01(l) of Division 1, Part II	Relief from having to disclose feasibility studies in respect of MMC Ports Group's five seaports along with their improvements, expansions and upgrading of existing port infrastructure in the Prospectus.	-
Paragraph 15.01(m) of Division 1, Part II	Relief from having to disclose the financial projections of MMC Ports Group until expiry of concession of all its five seaports in the Prospectus.	-

Bursa Securities has, via its letter dated [•], approved our Admission and our Listing subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[•]	[•]

The MITI has, via its letter dated 6 August 2025, stated that it has agreed with the proposal for our listing on the Main Market of Bursa Malaysia with a total of 14,240,000,000 Shares. We are exempted from fulfilling the Bumiputera equity requirement as we are owned by more than 50.0% Bumiputera equity interest both before and after the listing. Accordingly, no allocation is reserved for Bumiputera investors approved by the MITI. Any changes to the listing proposal must be notified to MITI.

[The SAC has, via its letter dated [•], classified our Shares as Shariah-compliant securities based on our latest audited consolidated financial information for the FYE 31 December 2024.]

The Government, via UKAS, has approved the changes in the equity shareholding structure of our port companies in conjunction with our IPO on 20 May 2025 and 8 July 2025, subject to conditions therein.

2.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines, our Shares directly held by MMC Corp as at the date of our Listing will be placed under moratorium for a period of six months from the date of our Listing. The details of the moratorium on our Shares are as set out below:

	Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
	No. of Shares	%	No. of Shares	%
	('000)		('000)	
MMC Corp	9,968,000	70.0	9,327,200	65.5

2. INTRODUCTION (Cont'd)

MMC Corp has fully accepted the moratorium. MMC Corp will not be allowed to sell, transfer or assign any of their respective holdings in our Shares as at the date of our Listing for a period of six months from the date of our Listing.

In addition, the following direct and indirect shareholders of MMC Corp will also provide the following moratorium for a period of six months from the date of our Listing:

- (i) Seaport Terminal, being the sole shareholder of MMC Corp, has undertaken not to sell, transfer or assign any of its shareholding in MMC Corp;
- (ii) Indra Cita, being the sole shareholder of Seaport Terminal, has undertaken not to sell, transfer or assign any of its shareholding in Seaport Terminal;
- (iii) Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, being the direct shareholder of one ordinary share in Indra Cita, has undertaken not to sell, transfer or assign any of her shareholding in Indra Cita; and
- (iv) TSSM, being the direct shareholder of approximately 100.0% equity interest in Indra Cita, has undertaken not to sell, transfer or assign any of his shareholding in Indra Cita.

The above restrictions do not apply:

- (i) in respect of our Shares that may be sold pursuant to the Over-allotment Option to be granted by the Over-allotment Option Provider to the Stabilising Manager (on behalf of the Placement Managers); and
- (ii) to the transfer of our Shares by the Over-allotment Option Provider as contemplated under the Share Lending Agreement, provided that the restriction will apply to our Shares returned to the Over-allotment Option Provider pursuant to the Share Lending Agreement.

The above moratorium restrictions are specifically endorsed on the share certificate representing our Shares held by MMC Corp which are under moratorium to ensure that our Share Registrar does not register any transfer that contravenes such restrictions.

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3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

3.1.1 Institutional Offering

The Institutional Offering involves the offering of up to 3,985,900,000 Offer Shares, representing up to 27.99% of our issued Shares, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.5 and 4.2.6 of this Prospectus, at the Institutional Price to the following persons:

- (i) Malaysian institutional and selected investors;
- (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S; and
- (iii) “qualified institutional buyers” in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act.

3.1.2 Retail Offering

The Retail Offering involves the offering of 286,100,000 Offer Shares, representing 2.01% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.5 of this Prospectus, at the Retail Price to be allocated in the following manner:

- (i) **Allocation to the Eligible Persons** - 1,300,000 Offer Shares, representing 0.01% of our issued Shares, are reserved for application by the Eligible Persons.
- (ii) **Allocation via balloting to the Malaysian Public** - 284,800,000 Offer Shares, representing 2.0% of our issued Shares, are reserved for application by the Malaysian Public of which 142,400,000 Offer Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

3.1.3 Moratorium on our Shares

In accordance with the Equity Guidelines, our Shares directly held by MMC Corp as at the date of our Listing will be placed under moratorium for a period of six months from the date of our Listing. MMC Corp has fully accepted the moratorium. MMC Corp will not be allowed to sell, transfer or assign any of their respective holdings in our Shares as at the date of our Listing for a period of six months from the date of our Listing.

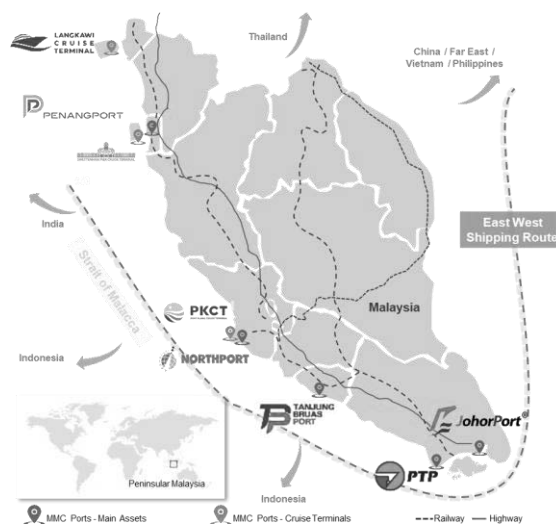
Our Offer for Sale will raise gross proceeds of up to RM[●] billion (on the assumption that the Institutional Price is equivalent to the Retail Price), which will accrue entirely to the Selling Shareholder. For detailed information relating to our IPO and moratorium on our Shares, see Sections 2.2 and 4.2 of this Prospectus, respectively.

3.2 HISTORY AND BUSINESS

Our Company was incorporated in Malaysia under the Act 1965 on 26 September 2006 as a private limited company under the name of MMC Ventures Sdn Bhd and is deemed registered under the Act. The Company changed its name to its present name on 15 July 2015 and was converted into a public limited company on 30 May 2025. The principal activity of our Company is that of investment holding while our subsidiaries are principally involved in port operations in Malaysia. We operate five sea ports and a solid product jetty terminal and conduct STS services at an offshore port. We provide marine services and operate free zones in the water limits and land around our ports. We also operate three cruise terminals.

3. PROSPECTUS SUMMARY (Cont'd)

Our five sea ports are PTP, Johor Port, Northport, Penang Port and Tanjung Bruas Port. Our ports provides a mix of container, conventional cargo, marine and other services that are tailored to their business and customers. In aggregate, our ports registered 18.5 million TEUs of container throughput and 36.5 million FWTs of conventional throughput in FYE 31 December 2024. As at the LPD, we had a total of 92 berths for container and conventional cargo, with a combined length of 19,394.0 metres. Our STS services are carried out at Yan STS Port in Yan, Kedah, located approximately five nautical miles off the coast of Pulau Bunting. This facility enables cargo transfers from vessel to vessel at sea without the need to dock in-land. We provide port facilities and services for cruise ships through our three cruise terminals, SPCT, PKCT and LCT. The three cruise terminals handled approximately 1.5 million passengers in 2024. The following map shows the location of our ports and cruise terminals:



For further details on our history, group structure and business, see Sections 6 and 7 of this Prospectus.

3.3 COMPETITIVE STRENGTHS

- (i) **Leading privately-owned port operating group (which is not government-linked) in Southeast Asia with capabilities to handle a wide range of cargo types with a balanced mix of transshipment and gateway services**

We were ranked 13th among the world's leading terminal operators[^] based on equity-adjusted throughput* in 2023, and fifth among the leading private terminal operators, according to Drewry. In Southeast Asia, we were ranked third based on equity-adjusted throughput in 2023. However, within Southeast Asia, we hold the first position among privately-owned operators which are not government-linked. Our network includes five major ports strategically located along the Strait of Malacca, with two among Southeast Asia's top seven largest ports, namely Northport and PTP, in terms of container throughput volume in 2024. In addition, we operate four of the top five largest Malaysian ports in terms of container throughput in 2024, according to Drewry.

Notes:

* Equity-adjusted throughput reflects the total container volume handled at terminals, adjusted according to an operator's equity stake in each facility, providing a more accurate measure of the volume attributable to the operator's ownership. It is calculated by multiplying the total throughput of each terminal by the percentage of the operator's equity stake.

[^] Terminal operators manage specific terminals within ports. Port operators oversee an entire port complex.

- (ii) **Strategically located along the Strait of Malacca, Southeast Asia's gateway to global trade driven by the fast-growing Malaysian economy**

Our ports are strategically located along the Strait of Malacca. The Strait of Malacca stands out as the busiest shipping route in the world (for vessels exceeding 1,000 deadweight tonnes), serving as the primary maritime corridor linking Asia (including

3. PROSPECTUS SUMMARY (Cont'd)

China) to Europe, according to Drewry. As a critical maritime passageway for global maritime trade, the Strait of Malacca connects the Andaman Sea to the South China Sea via Malaysia and Singapore which facilitates trade flows between North America, Europe, the Middle East, Far East, and Southeast Asia.

(iii) **Integrated port ecosystem with excellent integrated connectivity to Malaysia infrastructure, hinterlands and industrial parks**

Our five major ports serve as key regional and domestic distribution hubs, strategically interlinked with inland freight facilities and supported by major Malaysian hinterland networks and industrial parks. This integrated port logistics ecosystem enhances our value proposition for customers.

- PTP, located at the confluence of major East-West trade lanes, is a premier transshipment hub with connectivity via road, rail, sea, and air.
 - Johor Port serves as a strategic gateway to Johor's industrial areas within the state of Johor supporting diverse industries and stable cargo volumes.
 - Northport features exceptional connectivity with direct access to over 13 industrial parks via road and rail networks.
 - Penang Port is a key northern gateway with direct access to the Bay of Bengal and the Indonesia-Malaysia-Thailand Growth Triangle.
 - Tanjung Bruas Port is positioned as the main gateway port to Malacca.
- For further details on the five sea ports, see Section 7.2.3 of this Prospectus.

(iv) **Track record of delivering operational efficiencies and financial profitability through modernisation, digitalisation and scale**

Between FYEs 31 December 2022 and 2024, we achieved steady growth with revenue increasing at a CAGR of 3.6%, and our profit before interest and tax increasing at a CAGR of 6.6%. Certain of our ports have undergone or are undergoing digital transformation initiatives to deploy an integrated enterprise resource planning system and terminal operating systems to improve operational efficiencies. We leverage our scale as a diversified ports group to achieve attractive pricing arrangements with our customers and suppliers. We have controlled our operating expense prudently and achieved economies of scale.

(v) **Entrenched blue-chip customer base of global shipping lines, with container cargo business anchored by connection to the Gemini Cooperation**

We have built and maintained strong relationships with a "blue-chip" customer base of leading global shipping lines including Maersk, Evergreen, Wan Hai, MSC, CMA CGM and Interasia. Maersk group's 30.0% indirect ownership in PTPSB, our subsidiary which operates PTP, through A.P.Moller – Maersk A/S, has strengthened our position in the industry over the years as we work with and leverage on the expertise of one of the world's largest shipping liners. Since carriers prefer to use terminals where they have equity ownership, according to Drewry, the terminal's affiliation to an alliance partner is important to ensure stickiness of transshipment volume, such as through the Gemini Cooperation, a long-term operational collaboration launched in February 2025 by Maersk A/S and Hapag-Lloyd. The Gemini Cooperation operates on a hub-and-spoke transshipment model, comprising 340 vessels, aggregating around 3.7 million TEUs, and covers 57 services including mainliner and dedicated shuttle services.

(vi) **Experienced management team with strong track record of port industry expertise**

Our company is guided by an accomplished management team with proven expertise in the port industry. Led by Dato' Azman Shah bin Mohd Yusof, who serves as our Chief Executive Officer, our management team (see Section 9.3 for details) is equipped with extensive experience that spans global maritime and infrastructure operations, with particular depth in port operations, development, and management. Leveraging their industry relationships and expertise to guide our strategic growth, our management has

3. PROSPECTUS SUMMARY *(Cont'd)*

spearheaded digital transformation initiatives, transitioning us to an integrated enterprise resource planning system and terminal operating systems across our ports and drove operational improvements and economies of scale of our platform.

For further details on our competitive strengths, see Section 7.2 of this Prospectus.

3.4 FUTURE PLANS AND STRATEGIES

(i) **Organic growth through strategic capacity expansion**

We continue to expand our container and conventional capacity to meet the growing needs within the Strait of Malacca. We target to expand our container handling maximum capacity from approximately 24.0 million TEUs in 2024 to 26.9 million TEUs in 2029, and our conventional handling maximum capacity from approximately 51.4 million FWTs in 2024 to approximately 66.1 million FWTs in 2029. This growth in capacity can enable us to continue to gain market share amidst the wave of manufacturing regionalisation and reshoring and global supply chain reorganisation.

(ii) **Digitalisation and technological transformation and equipment rehabilitation and modernisation to maximise operational efficiency**

As a port operator, we continue to invest in the rehabilitation of our equipment and leverage on modernisation and digitalisation of our platform ports to implement consistent renewal initiatives to enhance our operational capacity and efficiency. Ongoing renewals include (i) the rehabilitation of liquid terminal jetties and wharfs, (ii) conveyor structures and system, (iii) quay cranes and level luffing cranes, (iv) reach stackers and empty stackers, (v) crane rails, (vi) diesel and electrified RTGs, (vii) prime movers with electrification and (viii) the digitalisation and automation of wharf gates and gate operations. These endeavours equip us to continue delivering reliable services and quick turnaround of vessels for our customers.

(iii) **Increase profitability by focusing on high margin cargo segments and services and cost management**

We aim to increase cargo handling volume in segments that generate higher margins. We also intend to offer value-added services, such as storage and bulk handling to add and diversify revenue streams and to further entrench existing customers. We are also optimising our land and warehouse spaces resources to ensure that we have sufficient rental capacity to meet demand. We are also optimising our storage rental spaces by encouraging long-term tenancies to strengthen our bargaining and pricing power, all while maintaining strict cost control measures. Moreover, we intend to leverage our ecosystem of integrated ports to share learnings, best practices and effective strategies across different ports to foster holistic synergies and enhance our operations.

(iv) **Inorganic expansion – scaling through strategic endeavours and partnership**

Besides growing our ports organically, we are also seeking opportunities to strengthen our platform and expand our capacity through the acquisition of port assets strategically situated in trade corridors that are projected to attract increasing shipping volumes. In our evaluation we assess the potential for the realisation of synergistic benefits with our existing port platform and ability to integrate with other port assets through multimodal connectivity. We seek to expand our capacity through the formation of joint venture partnerships.

For further details on our future plans and strategies, see Section 7.3 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.5 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The following tables set out the direct and indirect shareholding of our Promoters and substantial shareholders before and after our IPO:

Name / Country of incorporation / Nationality	Before our IPO ⁽¹⁾				After our IPO							
	Direct		Indirect		Assuming the Over-allotment Option is not exercised ⁽²⁾				Assuming the Over-allotment Option is fully exercised ⁽³⁾			
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders												
MMC Corp / Malaysia	14,240,000,000	100.0	-	-	9,968,000,000	70.0	-	-	9,327,200,000	65.5	-	-
Seaport Terminal / Malaysia	-	-	14,240,000,000	⁽⁴⁾ 100.0	-	-	9,968,000,000	⁽⁴⁾ 70.0	-	-	9,327,200,000	⁽⁴⁾ 65.5
Substantial shareholders												
Indra Cita / Malaysia	-	-	14,240,000,000	⁽⁵⁾ 100.0	-	-	9,968,000,000	⁽⁵⁾ 70.0	-	-	9,327,200,000	⁽⁵⁾ 65.5
TSSM / Malaysian	-	-	14,240,000,000	⁽⁶⁾ 100.0	-	-	9,968,000,000	⁽⁶⁾ 70.0	-	-	9,327,200,000	⁽⁶⁾ 65.5

Notes:

(1) Based on our issued Shares of 14,240,000,000 Shares after the Subdivision.

(2) Based on our issued Shares of 14,240,000,000 Shares upon our Listing.

(3) Assuming an Over-allotment Option of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered, is fully exercised.

(4) Deemed interested by virtue of its shareholding in MMC Corp, applying Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholding in Seaport Terminal, applying Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act.

For further details on our Promoters and substantial shareholders, see Section 9.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and key senior management are as follows:

Name	Designation
Directors	
TSCK	Non-Independent Non-Executive Chairman
Sharifah Sofia binti Syed Mokhtar Shah	Non-Independent Non-Executive Director
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Independent Non-Executive Director
Johari bin Abdul Muid	Independent Non-Executive Director
Aznita binti Abdul Aziz ⁽¹⁾	Independent Non-Executive Director
Datuk Syed Hamadah Syed Othman ⁽¹⁾	Independent Non-Executive Director
Key senior management of our Group	
Dato' Azman Shah bin Mohd Yusof	Chief Executive Officer
Neo Li Ping	Chief Financial Officer
Mark William Hardiman	Chief Executive Officer of PTPSB
Md Derick bin Basir	Chief Executive Officer of JPB
Nik Muzani bin Nik Abdul Aziz ⁽¹⁾	Acting Chief Executive Officer of NMB
Dato' Sasedharan A/L Vasudevan	Chief Executive Officer of PPSB
Khairul Anuar bin Othman	Head of Company of TBPSB

Note:

(1) Appointed after the LPD.

For further information on our Directors and key senior management, see Sections 9.2.1 and 9.3.1 of this Prospectus, respectively.

3.7 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all of the information contained in this Prospectus, including all the risk factors, before deciding to invest in our Shares. The following is a summary of the key risks that we face in our business operations:

- (i) **Our business is highly dependent on global and regional economic, financial and political conditions that affect global trading volumes** - As an operator of ports and cruise terminals that handles container and conventional cargo and provides port facilities and services for cruise ships and marine and other services within the water limits and land around our ports, our results of operations may be affected by the volume of our business, which in turn depends on global and regional trading volumes, including import and export trade volumes of the region in which we operate and the flow of goods within Malaysia. The occurrence of disruptive global political events could potentially reduce trade volumes, alter shipping routes, or increase operational costs, thereby impacting the ports industry, and our business, financial condition and results of operations.
- (ii) **Our operations and revenue are concentrated in Malaysia, exposing us to risks related to the country's economic, financial, and political conditions** - Our ports and ports-related business is exclusively located in Malaysia, therefore we are highly susceptible to the country's economic, financial, and political conditions. Economic downturns, driven by factors such as inflation or domestic challenges, could diminish demand for port services, thereby adversely affecting our revenue and profitability. Similarly, political instability, such as shifts in government leadership or policy, might result in regulatory changes, operational disruptions, or increased costs, which could further amplify risks to our operations. Our operations and revenue concentration in Malaysia exposes us to ongoing risks related to the country's economic, financial, and political conditions.

3. PROSPECTUS SUMMARY (Cont'd)

- (iii) **Our port concession agreements may be early terminated or not renewed, which may adversely affect our business, financial condition and results of operations, and our inability to maintain the Privatisation Agreements may adversely affect our financial condition and results of operations** - Our rights to operate, manage and develop the ports are held through long-term concession arrangements that have been granted by the Government and the relevant port authorities. All of our five port operating companies, namely PTPSB, JPB, NMB, PPSB and TBPSB, have been granted a concession that will expire in March 2055. These concession agreements are vital to our business but include provisions allowing the government to terminate them prior to expiration if we fail to comply with key terms, such as operational performance requirements relating to maintenance of port infrastructures at the respective ports based on periodical review by the relevant port authorities in consultation with the port operating companies or regulatory obligations imposed by statutes, rules, by-laws and regulations applicable to the ports and the operations of the business of the ports. Moreover, when these agreements reach their natural end, we may not secure renewals, or any renewals might impose less advantageous conditions due to shifts in policy or competitive pressures. Should a concession be terminated early or not renewed, our business, financial condition, results of operations and prospects may be adversely affected.
- (iv) **Our inability to successfully implement our expansion plans and effectively manage our growth strategy could have an adverse effect on our business, results of operations and financial condition** - Our future prospects will depend upon our ability to grow our business and operations. This includes executing expansion plans such as increasing container and storage capacities, upgrading port equipment, and integrating advanced technologies for enhanced operational efficiency. There can be no assurance that we will be able to grow our business and operations at the expected levels or at all, and accordingly, we cannot assure you that our operating revenue will continue to achieve a growth rate similar to those achieved in recent years. Further, there can be no assurance that we will be able to effectively manage growth in business levels pursuant to the implementation of our expansion plans. Failure to manage growth effectively could have an adverse effect on our business, financial condition, results of operations and prospects.
- (v) **We derive a significant portion of our revenue from top five major customers** - During the FYEs 31 December 2022, 2023 and 2024, our revenue was concentrated among our top five major customers, accounting for 47.2%, 47.4%, and 50.8% of our total revenue, respectively, during these years. If one or more of our major customers terminates their relationship with us or decides to reduce their business volumes with us, our capacity utilisation, results of operations and profitability could decrease in the short run while we make alternative sales arrangements, and in the long run if we are not able to secure such alternative sales arrangements or if the new arrangements are entered into on less favourable terms.
- (vi) **An increase in fuel and electricity prices may reduce profitability** - The cost of fuel and electricity is a significant factor affecting the ports industry. Generally, our ability to pass on fuel and electricity cost increases to customers is limited. This is due to the regulated nature of port tariffs which constrain pricing flexibility. As a result, cost fluctuations are largely absorbed by our Group, potentially impacting our operating margins and overall profitability. Increases in the price of fuel and electricity generally cause increases in our operating costs, potentially affecting our profitability in the instances where we are unable to pass on the costs to our customers. An increase in fuel and electricity prices may adversely affect our business, financial condition, results of operations and prospects.
- (vii) **We face significant competition in the ports industry which could adversely affect our ability to maintain or increase our market share and profitability** - We face competition from container terminal operators in the region and, to a lesser extent, container terminal operators globally. The main port competing for transshipment traffic with us in the Strait of Malacca is Westports due to its close proximity to the main

3. PROSPECTUS SUMMARY (Cont'd)

shipping route along the Strait of Malacca, as well as Port of Singapore. We face competition for non-containerised cargo within Malaysia. If we are not able to compete successfully in the future against our existing or potential competitors, our business, financial condition, results of operations and prospects may be adversely affected.

- (viii) **We are exposed to credit risk with respect to our customers and our business could be adversely affected if our customers default on their obligations** - While we strive to manage our credit risk by establishing credit limits for individual customers, obtaining financial guarantees from certain clients, and closely monitoring outstanding receivables, there remains a possibility that our customers may default on their obligations. Any credit risk arising from delayed payments, non-payments, or non-performance by one or more of our major customers, or even several smaller customers, could significantly and adversely impact our business, financial health, operational results, and future prospects.
- (ix) **If we are unable to pass on increases in operating costs to our customers through an increase in tariffs in a timely manner, our operating results may be materially and adversely affected** - The tariffs we charge customers in our port business are regulated by the relevant port authorities with the approval of the Ministry of Transport of Malaysia, and we must comply with the prescribed charges or scale of charges which are published in the gazette setting out the schedule of charges, which is a gazetted list of maximum tariffs that can be charged. There can be no assurance that we will be able to raise tariffs in a timely manner to cover increased expenses or to respond to changes in market conditions. If we continue to be unable to pass on increases in operating costs to our customers through timely tariff adjustments, it may materially and adversely affect our business, financial condition and results of operations.
- (x) **Our operations are dependent on road and rail connectivity and any disruption in the operation of or delays in the improvements to the road and rail network may have an adverse effect on our business and results of operations** - There can be no assurance that existing linkages can cater for the increase in traffic as we seek to increase throughput at our ports in the future. We may experience short-term disruptions to our operations if road, sea or air linkages become temporarily unavailable. In addition, there can be no assurance that existing or planned supporting road, highway and railway infrastructure near our ports will be completed or will not be closed, relocated, terminated or delayed. Such occurrences would adversely impact the accessibility of our ports and our appeal and marketability to customers. This, in turn, may have an adverse effect on our business, financial condition, results of operations and prospects due to the risk of disruptions in the operation of or delays in the improvements to the road and rail network on which we are dependent.
- (xi) **Risk of indirect tax compliance** - We have taken the position to not charge service tax on logistics services that we provide within the free zones surrounding our ports. We have been informed by our tax consultant that the service tax rate that could be levied on us for providing logistics services within our free zone areas is 6.0%, with retroactive effect from 1 April 2024, and would be subject to a late penalty of up to 40.0%. In assessing potential service tax exposure, our Group applied judgment that the logistic services provided within the free zones qualify for the B2B exemption. The potential service tax exposure will accumulate until the matter is resolved. Presently, we are pursuing an exemption from the MOF on this position and the process is ongoing as of the date of this Prospectus.

In the absence of the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM128.6 million inclusive of a late payment penalty of RM36.7 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM64.8 million inclusive of a late payment penalty of RM18.5 million from 1 January 2025 until the LPD. If imposed, these liabilities would have a material adverse impact on the financial condition of our Group. However, the

3. PROSPECTUS SUMMARY (Cont'd)

likelihood of not qualifying for the B2B exemption is considered low. Our Board is also of the view that the materiality of this risk is mitigated.

Applying the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM18.1 million inclusive of a late payment penalty of RM5.2 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM13.4 million inclusive of a late payment penalty of RM3.8 million from 1 January 2025 until the LPD, based on the maximum penalty rate of 40.0%. Our Board is of the view that the aforesaid estimated service tax liabilities under B2B exemption (including any late payment penalties), if imposed, will not have a material adverse impact on the business operations and financial condition of our Group.

- (xii) **We depend on security measures implemented at other port facilities and by our shipping line customers, which are beyond our control** - A security breach or act of terrorism that occurs at one or more of the facilities, or at a shipping line or other port facility that has handled the cargo prior to the cargo arriving at our facilities, could subject us to significant liability, including the risk of litigation and damage to our reputation. A major security breach or act of terrorism that occurs at one of the facilities or one of our competitors' facilities may result in a temporary shutdown of the container terminal industry and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including us. The costs associated with any such outcome may have an adverse effect on our business, financial condition, results of operations and prospects.

For further details on our risk factors, see Section 5 of this Prospectus.

3.8 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out our selected historical consolidated financial data for the Financial Years Under Review:

	FYE 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Revenue	4,058,078	3,961,040	4,356,507
GP ⁽¹⁾⁽²⁾	1,601,724	1,579,690	1,789,789
PBT	829,540	945,954	990,673
Profit attributable to owner of our Company	471,816	701,127	636,560
GP margin ⁽³⁾ (%)	39.5	39.9	41.1
GP margin (excluding Construction Contract Revenue) ⁽³⁾ (%)	41.4	41.1	43.3
EBITDA ⁽⁴⁾	1,870,548	1,951,467	2,023,184
EBITDA margin ⁽⁵⁾ (%)	46.1	49.3	46.4
EBITDA margin (excluding Construction Contract Revenue) ⁽⁵⁾ (%)	48.3	50.7	49.0
PBT margin ⁽⁶⁾ (%)	20.4	23.9	22.7
PBT margin (excluding Construction Contract Revenue) ⁽⁶⁾ (%)	21.4	24.6	24.0
PATAMI margin ⁽⁷⁾ (%)	11.6	17.7	14.6
PATAMI margin (excluding Construction Contract Revenue) ⁽⁷⁾ (%)	12.2	18.2	15.4
Basic/Diluted EPS (sen) ⁽⁸⁾	3.3	4.9	4.5
	As at 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Total equity	6,569,162	5,778,841	5,800,725
Total borrowings	5,523,408	5,375,659	5,365,050
Current ratio ⁽⁹⁾ (times)	1.7	1.5	1.3
Gearing ratio ⁽¹⁰⁾ (times)	0.8	0.9	0.9
Net assets	6,569,162	5,778,841	5,800,725
Net assets per Share ⁽¹¹⁾ (RM)	0.46	0.41	0.41

3. PROSPECTUS SUMMARY (Cont'd)

Notes:

- (1) In our consolidated statements of comprehensive income, expenses are grouped and disclosed based on the nature of the expenses instead of the function to which the expenses relate. As such, our consolidated statements of comprehensive income do not present cost of goods sold and GP. Cost of goods sold and GP data disclosed in this Prospectus have been derived from our unaudited consolidated management accounts.
- (2) Calculated as revenue less cost of goods sold.
- (3) Calculated as GP divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (4) Calculated as profit for the financial year plus (i) taxation; (ii) finance costs; and (iii) depreciation and amortisation, less (v) finance income.
- (5) Calculated as EBITDA divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (6) Calculated as PBT divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (7) Calculated as PATAMI divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (8) Calculated as PATAMI divided by our issued Shares of 14,240,000,000 Shares upon our Listing.
- (9) Computed based on current assets divided by current liabilities as at the end of the financial year.
- (10) Computed based on total borrowings divided by total equity as at the end of the financial year.
- (11) Calculated as net assets divided by our issued Shares of 14,240,000,000 Shares upon our Listing.

For further details on our financial information and operational highlights relating to our Group, see Section 12 of this Prospectus.

3.9 USE OF PROCEEDS

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional equity funding for our business. Refer to Sections 12.2.5 of this Prospectus for details on our Group's capital resources.

The gross proceeds from our IPO of up to RM[●] billion (on the assumption that the Institutional Price is equivalent to the Retail Price) will accrue entirely to the Selling Shareholder and will be utilised by the Selling Shareholder. For detailed information relating to the use of proceeds arising from our IPO, see Section 4.6 of this Prospectus.

3.10 DIVIDEND POLICY

For information purposes, the following table sets out our Company's dividends declared for the Financial Years Under Review and period indicated and paid as of the date of this Prospectus and the corresponding dividend pay-out ratio:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Dividends declared and paid	250,001	500,355	510,002
PATAMI	471,816	701,127	636,560
Dividend payout ratio ⁽¹⁾ (%)	53.0	71.4	80.1

Note:

- (1) Computed based on dividends declared divided by PATAMI for the Financial Years Under Review.

We declared and paid an interim dividend of RM30.0 million for the FYE 31 December 2025 in March 2025 and further declared and paid an interim dividend of RM255.0 million for the FYE 31 December 2025 in July 2025 using our internally generated funds. The aforesaid interim dividends do not affect the execution and implementation of our future plans and strategies as mentioned in this Prospectus.

We target a payout ratio of not less than 60.0% of our PATAMI for each financial year on a consolidated basis after taking into account working capital, maintenance capital and committed capital requirements of our Group. The declaration and payments of any dividend is subject to the confirmation of our Board as well as any applicable law, licence conditions and contractual obligations, certain Sukuk restrictive covenants which our Company is subject to and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board. As at the LPD, there are no dividend restrictions imposed on our subsidiaries. For further details on our dividend policy, see Section 12.5 of this Prospectus.

4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative times and/or dates:

Event	Time and/or Date
Opening of the Institutional Offering ⁽¹⁾	[●] 2025
Issuance of the Prospectus/Opening of the Retail Offering	10:00 a.m., [●] 2025
Closing of the Retail Offering	5:00 p.m., [●] 2025
Closing of the Institutional Offering	[●] 2025
Price Determination Date	[●] 2025
Balloting of applications for the Offer Shares under the Retail Offering	[●] 2025
Transfer of the Offer Shares to successful applicants	[●] 2025
Listing	[●] 2025

[Note:

- (1) *Other than the Institutional Offering to the Cornerstone Investors. The Master Cornerstone Placement Agreement for the acquisition of the Offer Shares by the Cornerstone Investors was entered into on [●] 2025.]*

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia.

4.2 PARTICULARS OF OUR IPO AND PLAN OF DISTRIBUTION

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, the Offer Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.5 and 4.2.6 of this Prospectus.

Our IPO consists of the Institutional Offering and the Retail Offering, totalling up to 4,272,000,000 Offer Shares, representing up to 30.0% of our issued Shares. For the avoidance of doubt, the Offer Shares offered under the Institutional Offering and the Retail Offering do not include our Shares under the Over-allotment Option.

4.2.1 Subdivision

On [●], our Company undertook a subdivision of the existing 3,560,000,000 Shares into 14,240,000,000 Shares to enhance the liquidity of our Shares at the time of our Listing.

Following the completion of the Subdivision, our total issued Shares is 14,240,000,000 Shares.

4. DETAILS OF OUR IPO (Cont'd)

4.2.2 Institutional Offering

The Institutional Offering involves the offering of up to 3,985,900,000 Offer Shares representing up to 27.99% of our issued Shares, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.5 and 4.2.6 of this Prospectus, at the Institutional Price to the following persons:

- (i) Malaysian institutional and selected investors; and
- (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S, and
- (iii) “qualified institutional buyers” in the United States in reliance on Rule 144A or pursuant to applicable exemption from registration under the U.S. Securities Act.

[As part of the Institutional Offering, on [●], our Company, the Selling Shareholder, the Joint Global Coordinators, the Joint Bookrunners and the Cornerstone Investors entered into the Master Cornerstone Placement Agreement where the Cornerstone Investors have agreed to acquire, subject to the terms of the Master Cornerstone Placement Agreement and the individual cornerstone placement agreements, an aggregate of [●] Offer Shares, representing approximately [●]% of our issued Shares at RM[●] per Offer Share or the Institutional Price, whichever is lower. None of the Cornerstone Investors will individually acquire or subscribe for 5.0% or more of our issued Shares under the cornerstone placement agreements.

The cornerstone placement agreements are conditional upon, among others, the Retail Underwriting Agreement and the Placement Agreement being entered into and not having been terminated pursuant to their respective terms.]

4.2.3 Retail Offering

The Retail Offering involves the offering of 286,100,000 Offer Shares, representing 2.01% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, at the Retail Price to be allocated in the following manner:

(i) Allocation to the Eligible Persons

1,300,000 Offer Shares, representing 0.01% of our issued Shares, are reserved for application by the Eligible Persons in the following manner, as approved by our Board:

Eligible Persons	No. of Eligible Persons	Aggregate no. of Offer Shares allocated
Our Directors ⁽¹⁾	6	600,000
Our key senior management ⁽²⁾	7	700,000
Total	13	1,300,000

Notes:

- (1) The allocation to our Directors is based on, among others, their respective roles and responsibilities in our Company. A total of 600,000 Offer Shares have been allocated to them, with each Director being allocated 100,000 Offer Shares.

4. DETAILS OF OUR IPO (Cont'd)

- (2) *The allocation is to our key senior management based on job grade and their past contribution to our Group. A total of 700,000 Offer Shares have been allocated to the key senior management as follows:*

Name	Designation	No. of Offer Shares allocated
Dato' Azman Shah bin Mohd Yusof	Chief Executive Officer	100,000
Neo Li Ping	Chief Financial Officer	100,000
Mark William Hardiman	Chief Executive Officer of PTPSB	100,000
Md Derick bin Basir	Chief Executive Officer of JPB	100,000
Nik Muzani bin Nik Abdul Aziz	Acting Chief Executive Officer of NMB	100,000
Dato' Sasedharan A/L Vasudevan	Chief Executive Officer of PPSB	100,000
Khairul Anuar bin Othman	Head of Company of TBPSB	100,000

(ii) Allocation via balloting to the Malaysian Public

284,800,000 Offer Shares, representing 2.0% of our issued Shares, are reserved for application by the Malaysian Public of which 142,400,000 Offer Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

In summary, the Offer Shares will be allocated subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.5 and 4.2.6 of this Prospectus, in the following manner:

Category	Offer for Sale	
	No. of Shares	% of our issued Shares ⁽¹⁾
Retail Offering:		
Eligible Persons:		
- Our Directors	600,000	Negligible
- Our key senior management	700,000	Negligible
Malaysian Public (via balloting):		
- Bumiputera	142,400,000	1.00
- Non-Bumiputera	142,400,000	1.00
Sub-total	286,100,000	2.01
Institutional Offering:		
Malaysian and foreign institutional and selected investors	3,985,900,000	27.99
Total	4,272,000,000	30.00

Note:

- (1) *Based on our issued Shares of 14,240,000,000 upon our Listing.*

The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.2.8 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)

4.2.4 Clawback and reallocation

The Institutional Offering and the Retail Offering will be subject to the following clawback and reallocation provisions:

- (i) if the Offer Shares allocated to the Eligible Persons are under-subscribed, such Offer Shares may be allocated to the other institutional and selected investors under the Institutional Offering or the Malaysian Public under the Retail Offering or a combination of both, at the discretion of the Joint Global Coordinators and us;
- (ii) subject to item (i) above, if there is an over-subscription in the Retail Offering and there is a corresponding under-subscription in the Institutional Offering, the Offer Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (iii) subject to item (i) above, if there is an over-subscription in the Institutional Offering and there is a corresponding under-subscription in the Retail Offering, the Offer Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or the Retail Offering but no over-subscription in the other.

Any Excess Offer Shares will be made available for application by the other Eligible Persons who have applied for the Excess Offer Shares on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:

- (a) firstly, allocation on a pro-rata basis to our Directors and key senior management who have applied for the Excess Offer Shares based on the number of Excess Offer Shares applied for; and
- (b) secondly, to minimise odd lots.

Our Board reserves the right to allot Excess Offer Shares applied for in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) to (b) above is achieved. Our Board also reserves the right to accept or reject any Excess Offer Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (a) to (b) above will not be repeated. Should there be any balance of Excess Offer Shares thereafter, such balance will be made available for clawback and reallocation as described in item (i) above. Any Offer Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Joint Underwriters.

To the best of our knowledge and belief, there is no person who intends to subscribe for more than 5.0% of the Offer Shares.

4. DETAILS OF OUR IPO (Cont'd)

4.2.5 Over-allotment Option

The Over-allotment Option Provider may grant an Over-allotment Option to the Stabilising Manager (on behalf of the Placement Managers) and may together with our Company appoint the Stabilising Manager to undertake any price stabilisation actions. The Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may at its absolute discretion, over-allot our Shares (on behalf of the Placement Managers) and subsequently, effect transactions to stabilise or maintain the market price of our Shares at levels that might not otherwise prevail in the open market.

Such transactions consist of bids or purchases to peg, fix or maintain the price of our Shares. If the Stabilising Manager creates a short position in our Shares in connection with the Institutional Offering, the Stabilising Manager may reduce that short position by purchasing our Shares in the open market. The Stabilising Manager may also elect to reduce any short positions by exercising all or part of the Over-allotment Option.

If granted, the Over-allotment Option will be exercisable in whole or in part by the Stabilising Manager, on one or more occasions, by giving written notice to the Over-allotment Option Provider at any time, within 30 days from the date of our Listing to purchase from the Over-allotment Option Provider up to an aggregate of 640,800,000 Shares, representing up to 15.0% of the total number of the Offer Shares offered, solely for purposes of covering over-allotments of our Shares (if any).

Subject to there being an over-allotment, the Stabilising Manager will enter into the Share Lending Agreement with the Over-allotment Option Provider to borrow up to an aggregate of 640,800,000 Shares to cover the over-allotments. Any Shares that may be borrowed by the Stabilising Manager under the Share Lending Agreement will be returned by the Stabilising Manager to the Over-allotment Option Provider either through the purchase of our Shares in the open market by the Stabilising Manager in the conduct of the stabilisation activities or deemed returned through the exercise of the Over-allotment Option by the Stabilising Manager or a combination of both. The exercise of the Over-allotment Option will not increase the total number of Shares issued and is not intended to constitute an offer for sale of our Shares by the Over-allotment Option Provider under our IPO.

Purchases of a security to stabilise the price or to cover the over-allotment may cause the price of the security to be higher than it might be in the absence of these purchases. Such transactions may be effected on the Main Market of Bursa Securities and in other jurisdictions where it is permissible to do so, in each case, in compliance with all applicable laws and regulations, including the CMSA and any regulations thereunder.

The number of Shares that the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may buy to undertake stabilising action, shall not exceed an aggregate of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered. However, there is no obligation on the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) to undertake such stabilising action. Such stabilising actions may commence on or after the commencement of trading of our Shares on the Main Market of Bursa Securities and, if commenced, may be discontinued at any time and cannot be effected after the earlier of (i) the date falling 30 days from the commencement of trading of our Shares on the Main Market of Bursa Securities; or (ii) the date when the Stabilising Manager has bought, on the Main Market of Bursa Securities, an aggregate of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered to undertake the stabilising action.

Neither our Company, the Over-allotment Option Provider nor the Stabilising Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Shares. In addition, neither our Company, the Over-allotment Option Provider nor the Stabilising Manager makes any representation that the Stabilising Manager will engage in such transactions,

4. DETAILS OF OUR IPO (Cont'd)

or that such transactions once commenced, will not be discontinued without notice (unless such notice is required by law).

4.2.6 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares.

The Offer Shares will, upon allotment and issue, rank equally in all respects with our existing issued Shares including voting rights, and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of allotment of the Offer Shares, subject to any applicable Rules of Bursa Depository.

The Offer Shares rank equally in all respects with our existing issued Shares including voting rights, and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders shall, in proportion to the amount paid on our Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy or by attorney or by other duly authorised representative. Any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.2.7 Share capital

Upon completion of our IPO, our share capital will be as follows:

	No. of Shares	RM'000
After the Subdivision	14,240,000,000	3,560,000
After our IPO	-	-
Total upon Listing	14,240,000,000	3,560,000

4.2.8 Minimum subscription level

There is no minimum subscription level in terms of proceeds to be raised under our IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements, the minimum subscription level in terms of the number of Offer Shares will be the number of Shares required to be held by the public shareholders of our Company to comply with the minimum public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities.

Under the Listing Requirements, we are required to have a minimum of 25.0% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the above requirement is not met, we may not be able to proceed with our Listing. See Section 5.3.5 of this Prospectus for details in the event there is a delay in or termination of our Listing.

4. DETAILS OF OUR IPO (Cont'd)

4.3 SELLING SHAREHOLDER

The Offer Shares to be offered by the Selling Shareholder and its respective direct shareholdings in our Company before and after our IPO and their material relationship with our Group within the past three years are as follows:

Selling shareholder	Material relationship with our Group	After the Subdivision		Shares to be offered under the Offer for Sale		Shareholding after our IPO assuming the Over-allotment Option is not exercised		Shares under the Over-allotment option		Shareholding assuming the Over-allotment Option is fully exercised ⁽²⁾	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
		('000)		('000)		('000)		('000)		('000)	
MMC Corp	Promoter and substantial shareholder	14,240,000	100.0	4,272,000	30.0	9,968,000	70.0	640,800	4.5	9,327,200	65.5
Total		14,240,000	100.0	4,272,000	30.0	9,968,000	70.0	640,800	4.5	9,327,200	65.5

Notes:

(1) Based on our issued Shares of 14,240,000,000 Shares after the Subdivision.

(2) Assuming an Over-allotment Option of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered.

4. DETAILS OF OUR IPO (Cont'd)

4.4 BASIS OF ARRIVING AT THE PRICE OF THE OFFER SHARES AND REFUND MECHANISM

4.4.1 Retail Price

The Retail Price was determined and agreed upon between our Directors and the Selling Shareholder in consultation with the Joint Global Coordinators, after taking into consideration the following factors:

- (i) Our Group's growth in revenue and profit for the financial year demonstrated by their positive CAGR of 3.6% and 15.6% respectively from the FYE 31 December 2022 to FYE 31 December 2024;
- (ii) PER of approximately [●] times based on our Group's EPS of 4.5 sen after taking into account our PATAMI of RM636.6 million for the FYE 31 December 2024 and our issued Shares of 14,240,000,000 upon Listing. Our PER of approximately [●] times falls within the range of the adjusted PERs of the comparable companies, as illustrated in the table at the end of this Section 4.4.1;
- (iii) PBR of approximately [●] times based on our Group's NA per Share attributable to owners of the Company of RM[●] after taking into account our NA attributable to owners of the Company of RM4,922.3 million as at 31 December 2024 and our issued Shares of 14,240,000,000 upon Listing. Our PBR of approximately [●] times falls within the range of the adjusted PBRs of the comparable companies, as illustrated in the table at the end of this Section 4.4.1;
- (iv) key developments of our Group since the privatisation of MMC Corp as set out in Section 6.1.3 of this Prospectus;
- (v) key bases and assumptions in arriving at the illustrative market capitalisation upon Listing using the discounted cash flow method as set out in Section 6.1.4 of this Prospectus, including periodic adjustments in port tariffs, sustained operational growth throughout the concession period that is consistent with Malaysia's economic growth, as well as potential concession extensions beyond the current concession term;
- (vi) Our competitive strengths, as follows:
 - (a) leading privately-owned port operating group (which is not government-linked) in Southeast Asia with capabilities to handle a wide range of cargo types with a balanced mix of transshipment and gateway services;
 - (b) strategically located along the Strait of Malacca, Southeast Asia's gateway to global trade driven by the fast-growing Malaysian economy;
 - (c) integrated port ecosystem with excellent integrated connectivity to Malaysian infrastructure, hinterlands and industrial parks;
 - (d) track record of delivering operational efficiencies and financial profitability through modernisation, digitalisation and scale;
 - (e) entrenched blue-chip customer base of global shipping lines, with container cargo business anchored by connection to the Gemini Cooperation; and
 - (f) experienced management team with strong track record of port industry expertise;

4. DETAILS OF OUR IPO (Cont'd)

- (vii) Our future plans and strategies, as follows:
 - (a) organic growth through strategic capacity expansion;
 - (b) digitalisation and technological transformation and equipment rehabilitation and modernisation to maximise operational efficiency;
 - (c) increase profitability by focusing on high margin cargo segments and services and cost management; and
 - (d) inorganic expansion – scaling through strategic endeavours and partnership;
- (viii) outlook of ports industry. See Section 8 of this Prospectus for further details; and
- (ix) prevailing market conditions, including market performance of key global indices and companies involved in similar business listed on Bursa Securities and regional stock exchanges, current market trends and investors' sentiments.

The Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date, and will be the lower of:

- (i) the Retail Price; or
- (ii) the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. See Section 4.4.3 of this Prospectus for details of the refund mechanism.

The Final Retail Price and the Institutional Price will be announced within two Market Days from the Price Determination Date via Bursa Listing Information Network. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the Offer Shares.

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4. DETAILS OF OUR IPO (Cont'd)

Name of company ⁽¹⁾	Country of listing	Market capitalisation as at 29 July 2025 ⁽²⁾	Adjusted PER as at 29 July 2025 ⁽³⁾	Adjusted PBR as at 29 July 2025 ⁽⁴⁾
		RM billion	times	times
Westports Holdings Berhad (“WHB”)	Malaysia	19.4	21.6	5.1
Adani Ports and Special Economic Zone Limited (“Adani Ports”)	India	147.5	59.5	13.6
International Container Terminal Services, Inc (“ICTSI”)	Philippines	67.1	14.5	9.7
Gujarat Pipavav Port Limited (“Gujarat Pipavav”)	India	3.8	35.7	8.2
Abu Dhabi Ports Company PJSC and its subsidiaries (“AD Ports Group”)	United Arab Emirates	24.8	25.6	1.8
Marsa Maroc	Morocco	30.3	84.8	44.1
Santos Brasil	Brazil	9.1	12.2	17.2
Shanghai International Port (Group) Co., Ltd	China	78.3	10.1	1.2
China Merchants Port Holdings Company Limited	Hong Kong	35.3	6.9	0.6
COSCO Shipping Ports Limited	Hong Kong	11.5	7.2	0.4
High			84.8	44.1
Average			27.8	10.2
Low			6.9	0.4

(Source: Annual reports of respective comparable companies)

The peer comparables were selected primarily because they are involved in similar activities to our port operations. The selection was further refined based on criteria such as geographical presence within the region, comparable growth dynamics, operational scale, and future growth potential. Specific justifications for each selected peer, based on their most relevant similarities to our port business, are as follows:

- WHB is considered the most natural and immediate valuation benchmark, given that it is listed on the Main Market of Bursa Malaysia. Both WHB and us operate along the Strait of Malacca, serve as major transshipment hubs, comparable in operating scale and asset intensity, and subject to the same regulatory and macroeconomic environment.
- Adani Ports shares a regional hub focus and a diversified cargo mix, with operational scale and a growth trajectory that closely mirror our port operations.

4. DETAILS OF OUR IPO (Cont'd)

- ICTSI, Marsa Maroc, and Gujarat Pipavav are selected for their transshipment capabilities and emerging market exposure — characteristics that align with our strategic direction and ongoing progress in these areas.
- AD Ports Group and Santos Brasil offer similarities through their container terminal operations, presence in emerging markets, and ownership of key national gateway assets, which are comparable to our asset profile.
- The Chinese peer comparables were selected primarily due to their large operational scale and strategic partnerships with global shipping alliances, both of which are relevant when benchmarking our position within the international maritime logistics ecosystem. This is particularly aligned with PTPSB which serves as a key transshipment hub for the Gemini Cooperation, a major global shipping alliance. Additionally, the Chinese peer comparables also reflect our strategic emphasis on intra-Asia shipping and trade flows, consistent with our Group's regional positioning and business focus.

Notes:

- (1) *The principal activities of the companies above are as follows:*
 - (a) *WHB - Port development and management of port operations.*
 - (b) *Adani Ports - Development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to port at Mundra, India.*
 - (c) *ICTSI - Entered into various concessions of port operations which include development, management, and operation of container terminals and related facilities around the world.*
 - (d) *Gujarat Pipavav - Engaged in the construction, operation, and maintenance of port at Pipavav in Gujarat, India.*
 - (e) *AD Ports Group - Operates an integrated ecosystem of ports, economic cities and free zones, maritime and shipping, logistics, and digital clusters.*
 - (f) *Marsa Maroc - Engaged in the management of port terminals and provides logistics services.*
 - (g) *Santos Brasil - Engaged in the provision of port services with integrated logistics offerings.*
 - (h) *Shanghai International Port (Group) Co., Ltd - Operator of public terminals in the Port of Shanghai. The main businesses of the company include port handling operation, integrated logistics service, port- related service and port investment business.*
 - (i) *China Merchants Port Holdings Company Limited - Investment holding company principally engaged in port-related business. The company is principally engaged in container terminal operations, bulk cargo terminal operations, logistics park operations, port transportation and airport cargo handling business.*
 - (j) *COSCO Shipping Ports Limited - Investment holding company principally engaged in the terminal businesses. The company is primarily engaged in the operation of terminals, the handling, transportation and storage of containers, the leasing, management and sales of containers, as well as other related businesses.*
- (2) *Figures in RM are based on the exchange rate quoted by Bank Negara Malaysia on 29 July 2025 for the relevant currencies of the comparable companies.*
- (3) *The PER of MMC Ports' comparable companies have been adjusted using the following relative factor to account for differences in macroeconomic and capital market conditions between the markets in which MMC Ports' comparable companies are listed and the Malaysian market. These differences include, but are not limited to, prevailing interest rates, inflation levels, unemployment rates, and gross domestic product growth, all of which may affect asset valuations and capital market conditions across jurisdictions:*

$$\frac{\text{PER of the company} \times \text{PER of the foreign market index}^{(5)}}{\text{PER of FBMKLCI}}$$

4. DETAILS OF OUR IPO (Cont'd)

- (4) *The PBR of MMC Ports' comparable companies have been adjusted using the following relative factor to account for differences in macroeconomic and capital market conditions between the markets in which MMC Ports' comparable companies are listed and the Malaysian market. These differences include, but are not limited to, prevailing interest rates, inflation levels, unemployment rates, and gross domestic product growth, all of which may affect asset valuations and capital market conditions across jurisdictions:*

$$\frac{\text{PBR of the company} \times \text{PBR of the foreign market index}^{(5)}}{\text{PBR of FBMKLCI}}$$

- (5) *The market indexes which were used for the adjusted PER and PBR of MMC Ports' comparable companies are as follows:*

- (a) *Malaysia – FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI)*
- (b) *India - National Stock Exchange Fifty Index (Nifty 50)*
- (c) *Philippines - Philippine Stock Exchange Index (PSEi)*
- (d) *United Arab Emirates - FTSE Abu Dhabi Securities Exchange General Index (FTSE ADX)*
- (e) *Morocco - Moroccan All Shares Index (MASI)*
- (f) *Brazil - Índice Bovespa (Ibovespa)*
- (g) *China - China Securities Index (CSI 300)*
- (h) *Hong Kong - Hang Seng Index (HSI)*
- (i) *Hong Kong - Hang Seng Composite Industry Index - Industrials*

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4. DETAILS OF OUR IPO (Cont'd)

4.4.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of the Offer Shares they would be prepared to acquire and the price they would be prepared to pay for the Offer Shares in respect of the Institutional Offering. This bookbuilding process commenced on [●] 2025 and will end on [●] 2025. Upon completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholder in consultation with the Joint Global Coordinators on the Price Determination Date.

4.4.3 Refund mechanism

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and Final Retail Price will be refunded to the successful applicants without any interest thereon. The refund will be made:

- (i) in the form of cheques will be despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form; or
- (ii) by crediting into the accounts of the successful applicants with the Participating Financial Institution for applications made via the Electronic Share Application or the Internet Participating Financial Institution for applications made via the Internet Share Application,

within 10 Market Days from the date of final ballot applications, at the successful applicants' own risk.

For further details on the refund mechanism, see Section 15.10 of this Prospectus.

4.4.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon our Listing would be approximately RM[●] billion.

You should also note that the market price of our Shares upon our Listing is subject to the vagaries of market forces and other uncertainties. You are reminded to carefully consider the risk factors as set out in Section 5 of this Prospectus.

4.5 DILUTION

Dilution is the amount by which our pro forma consolidated NA per Share after our IPO is less than the price paid by retail, institutional and selected investors for our Shares.

The following table illustrates the dilution effect on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	RM
Final Retail Price/Institutional Price	[●]
Pro forma consolidated NA per Share as at 31 December 2024 after the interim dividend of RM30.0 million paid and before adjusting for our IPO	[●]
Pro forma consolidated NA per Share as at 31 December 2024, after the interim dividend of RM30.0 million paid, Subdivision and after adjusting for our IPO	[●]
Decrease in consolidated NA per Share to our existing shareholders	[●]

4. DETAILS OF OUR IPO (Cont'd)

RM

Dilution in pro forma consolidated NA per Share to the retail/institutional and selected investors [●]

Dilution in pro forma consolidated NA per Share to the retail/institutional and selected investors as a percentage of the Retail Price/Institutional Price [●]%

Save as disclosed below, none of our substantial shareholders, Directors, key senior management, or persons connected to them had acquired our Shares in the past three years up to and including the LPD or have the right to acquire and/or subscribe for our Shares as at the LPD:

Date	Name	No. of shares	Allotted/ Subscribed	Total consideration	Average price per share
				RM	RM
31 December 2022	MMC Corp	142,229,143 RCPS	Allotted ⁽¹⁾	142,229,143	1.00
10 December 2024	MMC Corp	13,582,591 Shares	Allotted ⁽¹⁾	13,582,591	1.00
[●]	MMC Corp	10,680,000,000 Shares	Allotted ⁽²⁾	-	-

Notes:

(1) Allotted to MMC Corp to capitalise amount due to MMC Corp.

(2) Shares are allotted pursuant to the Subdivision, as set out in Section 4.2.1 of this Prospectus.

4.6 USE OF PROCEEDS

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional equity funding for our business. Refer to Sections 12.2.5 of this Prospectus for details on our Group's capital resources.

The gross proceeds from our IPO of up to RM[●] billion (on the assumption that the Institutional Price is equivalent to the Retail Price) will accrue entirely to the Selling Shareholder and will be utilised by the Selling Shareholder.

The estimated fees and expenses for our IPO and Listing to be borne by us are estimated to be RM[●] million, comprising the following:

Details of expenses	RM'000
Professional fees ⁽¹⁾	[●]
Fees payable to authorities	[●]
Other fees and expenses relating to our IPO and our Listing ⁽²⁾	[●]
Total	[●]

Notes:

(1) This includes professional fees for, among others, the Principal Adviser, legal advisers, Reporting Accountants, Independent Market Researcher, translator, Issuing House and Share Registrar.

(2) This includes related fees and expenses in connection with our IPO, such as printing, advertising, travel and roadshow expenses, media related expenses and IPO event expenses.

4. DETAILS OF OUR IPO (Cont'd)

The Selling Shareholder will bear the brokerage fee, underwriting fee, placement fee as well as other own professional and miscellaneous expenses in relation to the Offer for Sale which is estimated to be approximately RM[•] million.

4.7 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.7.1 Brokerage fee

The Selling Shareholder will pay brokerage in respect of the Offer Shares under the Retail Offering at the rate of 1.0% (exclusive of applicable tax) of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Global Coordinators and Joint Bookrunners are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholder.

4.7.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, the Sole Managing Underwriter and the Joint Underwriters has agreed to underwrite the Offer Shares under the Retail Offering for an underwriting commission of [•]% (exclusive of applicable tax) of the Retail Price multiplied by the total number of Offer Shares underwritten under the Retail Offering in accordance with the terms of the Retail Underwriting Agreement.

4.7.3 Placement fee

The Selling Shareholder for the Offer Shares will pay the Joint Global Coordinators and Joint Bookrunners a placement fee and selling commission of up to [•]% (exclusive of applicable tax) and may pay a discretionary fee of up to [•]% (exclusive of applicable tax) of the Institutional Price multiplied by the number of Offer Shares sold to Malaysian and foreign institutional and selected investors under the Institutional Offering in accordance with the terms of the Placement Agreement.

4.8 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENTS

4.8.1 Underwriting

We have entered into the Retail Underwriting Agreement with the Sole Managing Underwriter and the Joint Underwriters to severally and not jointly (nor jointly and severally) underwrite 286,100,000 Offer Shares under the Retail Offering, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus and upon the terms and subject to the conditions of the Retail Underwriting Agreement.

Details of the underwriting commission are set out in Section 4.7.2 of this Prospectus, while the salient terms of the Retail Underwriting Agreement are as follows:

[•]

4.8.2 Placement

We and the Selling Shareholder expect to enter into the Placement Agreement with the Joint Global Coordinators and the Joint Bookrunners in relation to the placement of up to 3,985,900,000 Offer Shares under the Institutional Offering, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.5 and 4.2.6 of this Prospectus respectively. We and the Selling Shareholder will be

4. DETAILS OF OUR IPO (Cont'd)

requested to give various representations, warranties and undertakings, and to indemnify the Joint Global Coordinators and the Joint Bookrunners against certain liabilities in connection with our IPO. The terms of the Placement Agreement are subject to negotiations and may include termination events that are different from those under the Retail Underwriting Agreement as set out in Section 4.8.1 of this Prospectus.

4.8.3 Lock-up arrangement

[●]

4.9 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to subscribers or purchasers of the Offer Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective securities accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately ten Market Days after the close of the Institutional Offering. Subscribers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

5. RISK FACTORS

Before investing in our Shares, you should pay particular attention to the fact that we and to a large extent, our business and operations are subject to legal, regulatory and business risks where we operate. Our operations are also subject to a number of factors, many of which are outside our control. Before making an investment decision, you should carefully consider, along with the other matters in this Prospectus, the risks and investment considerations set out below.

5.1 RISKS RELATING TO OUR BUSINESS

5.1.1 Our business is highly dependent on global and regional economic, financial and political conditions that affect global trading volumes

As an operator of ports and cruise terminals that handles container and conventional cargo and provides port facilities and services for cruise ships and marine and other services within the water limits and land around our ports, our results of operations may be affected by the volume of our business, which in turn depends on global and regional trading volumes, including import and export trade volumes of the region in which we operate and the flow of goods within Malaysia. Trade volumes and import and export trade volumes of the region in which we operate can be significantly affected by changes in economic, financial and political conditions regionally and globally, including sanctions, boycotts, tariffs, and other measures as a result of trade barriers, trade disputes and work stoppages, particularly in the transportation services industry, and acts of war, hostilities, terrorism, natural disasters, and epidemics, as well as by broader macroeconomic factors such as fluctuations in GDP growth rates, inflation, interest rates, currency exchange rates, as well as changes in fiscal and monetary policies, both regionally and globally. Examples of such disruptions include the ongoing geopolitical and global trade and tariff tensions involving the U.S., China and several other countries, the conflict between Russia and Ukraine, the Israeli-Palestinian conflict and the Red Sea crisis, although to date such events have not had any material adverse impact on our operations or financial performance. Economic downturns or slowdowns in major economies can lead to reduced consumer volumes. Any future deterioration in regional and global economic conditions could have an adverse effect on our business, financial condition and results of operations, as well as future growth.

The occurrence of disruptive global political events could potentially reduce trade volumes, alter shipping routes, or increase operational costs, thereby impacting the ports industry, and our business, financial condition and results of operations.

5.1.2 Our operations and revenue are concentrated in Malaysia, exposing us to risks related to the country's economic, financial, and political conditions

Our ports and ports-related business is exclusively located in Malaysia, therefore we are highly susceptible to the country's economic, financial, and political conditions. Economic downturns, driven by factors such as inflation or domestic challenges, could diminish demand for port services, thereby adversely affecting our revenue and profitability. There is a strong correlation between Malaysia's GDP growth, trade activity, and cargo volumes at Northport, Johor Port, Penang Port and Tanjung Bruas Port. PTP, however, is an exception, as it primarily handles transshipment containers, making it more dependent on the performance of global and regional economies as discussed in Section 5.1.1 above. Economic growth in Malaysia typically drives increased demand for port services, with higher trade volumes resulting from growing domestic consumption and exports. Conversely, a downturn in Malaysia's economy, driven by factors such as inflation, slower GDP growth, or global economic challenges, could lead to a reduction in trade activity and, in turn, a decline in cargo volumes. This would directly impact our revenue and profitability, especially if key industries reliant on port services (e.g., manufacturing or industrial) experience a slowdown.

Operating costs are not expected to increase significantly or materially in a way that would adversely affect the financial results, cash flows, or business prospects of our port businesses, except for the anticipated effects of standard inflationary pressures and cost increases arising from increased business activity. However, unforeseen

5. RISK FACTORS (Cont'd)

factors such as unexpected regulatory changes, operational inefficiencies, or significant supply chain disruptions could lead to additional cost burdens, which may impact the overall financial performance.

Similarly, political instability, such as shifts in government leadership or policy, might result in regulatory changes, operational disruptions, or increased costs, which could further amplify risks to our operations. For example, there have been shifts in trade policies, tariff structures, and new government regulations in the past. Our Group has not been materially affected by these changes during the Financial Years Under Review, and there has been no material impact on our operations or financial performance arising from such developments. We continue to closely monitor potential changes in government policy and trade agreements, as well as the broader economic environment, to mitigate the risks associated with such exposure.

As all of our revenue is derived from Malaysia, any unfavourable developments in the country could directly and significantly impact its financial performance. Accordingly, our operations and revenue concentration in Malaysia exposes us to ongoing risks related to the country's economic, financial, and political conditions.

5.1.3 Our port concession agreements may be early terminated or not renewed, which may adversely affect our business, financial condition and results of operations, and our inability to maintain the Privatisation Agreements may adversely affect our financial condition and results of operations

Our rights to operate, manage and develop the ports are held through long-term concession arrangements that have been granted by the Government and the relevant port authorities. All of our five port operating companies, namely PTPSB, JPB, NMB, PPSB and TBPSB, have been granted a concession that will expire in March 2055. These concession agreements are vital to our business but include provisions allowing the government to terminate them prior to expiration if we fail to comply with key terms, such as operational performance requirements relating to maintenance of port infrastructures at the respective ports based on periodical review by the relevant port authorities in consultation with the port operating companies or regulatory obligations imposed by statutes, rules, by-laws and regulations applicable to the ports and the operations of the business of the ports. See Section 7.21 of this Prospectus for more information. Moreover, when these agreements reach their natural end, we may not secure renewals, or any renewals might impose less advantageous conditions due to shifts in policy or competitive pressures. Should a concession be terminated early or not renewed, our business, financial condition, results of operations and prospects may be adversely affected.

The Privatisation Agreements with the Government and the relevant port authorities contain, among others, clauses that allow the Government or the relevant port authorities to terminate the Privatisation Agreements if we do not comply with any provision, obligation, covenant, warranty or undertaking as stipulated in the Privatisation Agreements or the relevant port licences, which includes compliance with any policy of the Government and relevant port authorities, and other directives of the Government. Additionally, the Government may terminate the Privatisation Agreements without any reason if the Government considers that such termination is necessary for national interest, in the interest of national security or for the purpose of government policy or public policy. The Government has imposed certain restrictions on the equity shareholding structure of our Company, requiring MMC Corp to maintain 51.0% equity interest in MMC Ports throughout the concession period, which as at LPD, MMC Corp is in compliance. MMC Corp has committed to ensure compliance with the above.

In the event that the equity shareholding structure of MMC Corp falls below the agreed threshold, potential remedial measures may include: (i) proposing the issuance of new Shares subject to obtaining the necessary regulatory and shareholders' approvals; and (ii) seeking indulgence from the Government, via UKAS, for an extension of time to

5. RISK FACTORS (Cont'd)

comply with the said condition whilst we formulate other potential remedial measures to address any shortfall. We cannot assure you that the Government will grant us an extension of time to comply or address the equity shareholding condition, and there can also be no assurance that the Company would be able to complete such an issuance of Shares, and any issuance may dilute our Company's then existing shareholders.

Our Group has not been previously affected by this risk of early termination or non-renewal of its port concession and Privatisation Agreements, as our Group successfully extended the expiry of the concession periods for Johor Port, Northport, Penang Port and Tanjung Bruas Port to March 2055 in the fourth quarter of 2022. Further, the port operating companies are required to fulfill certain obligations to the satisfaction of the Government and relevant port authorities for the said extension of the concession period. If the Government and relevant port authorities determine that the obligations have not been met, they will issue a notice to that effect, and any supplemental agreement for the extension of the concession period will be null and void.

Notwithstanding that, there can be no assurance that the Privatisation Agreements will not be prematurely terminated (with or without cause) or that we will not be penalised (with or without cause) by the Government. If we are unable to maintain the Privatisation Agreements, our business, results of operations, financial condition and prospects may be adversely affected.

5.1.4 Our inability to successfully implement our expansion plans and effectively manage our growth strategy could have an adverse effect on our business, results of operations and financial condition

Our future prospects will depend upon our ability to grow our business and operations. This includes executing expansion plans such as increasing container and storage capacities, upgrading port equipment, and integrating advanced technologies for enhanced operational efficiency. There can be no assurance that we will be able to grow our business and operations at the expected levels or at all, and accordingly, we cannot assure you that our operating revenue will continue to achieve a growth rate similar to those achieved in recent years. Further, there can be no assurance that we will be able to effectively manage growth in business levels pursuant to the implementation of our expansion plans. In order to manage the growth effectively, we must also implement and improve our operating systems, IT platforms, procedures and internal controls on a timely basis. If we fail to implement such systems, procedures and controls or if there is any weakness in our internal controls, we may not be able to meet our customers' needs, hire and retain new employees, pursue new businesses, complete future strategic agreements or operate our business effectively. There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or to establish or develop business relationships beneficial to future operations. Our Group has not been materially affected by this risk during the Financial Years Under Review, as our historical expansion activities have been managed effectively without material adverse impact on our operations or financial performance. Failure to manage growth effectively could have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.5 We derive a significant portion of our revenue from our top five major customers

During the FYEs 31 December 2022, 2023 and 2024, our revenue was concentrated among our top five major customers, accounting for 47.2%, 47.4%, and 50.8% of our total revenue, respectively, during these years. For details on our top five major customers, refer to Section 7.16 of this Prospectus. Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance arising from any loss or reduction in business from our major customers.

5. RISK FACTORS (Cont'd)

If one or more of our major customers terminates their relationship with us or decides to reduce their business volumes with us, our capacity utilisation, results of operations and profitability could decrease in the short run while we make alternative sales arrangements, and in the long run if we are not able to secure such alternative sales arrangements or if the new arrangements are entered into on less favourable terms. We generally do not enter into long-term contracts with our customers, and both parties have the ability to seek significant changes to the terms of, or discontinue, our business arrangements. Any non-renewal or entering into agreements on terms and conditions unfavourable to us may adversely affect our results of operations and profitability.

5.1.6 An increase in fuel and electricity prices may reduce profitability

The cost of fuel and electricity is a significant factor affecting the ports industry. Fuel and utilities costs represented 11.9%, 12.0% and 11.1% of our total operating expenditure for the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, respectively. Fuel prices in Malaysia fluctuate in accordance with global oil prices and the strength of the Malaysian Ringgit. Increases in fuel prices and our consumption generally cause increases in our fuel costs, while our GP margin is generally only adversely affected by increases in fuel prices. In FYE 31 December 2022, the cost of fuel increased as a result of global geopolitical tensions, mainly arising from the conflict between Russia and Ukraine, that temporarily elevated global fuel prices. The higher fuel costs incurred by us for FYE 31 December 2022 resulted in an approximate 12.0% reduction in our PATAMI. Fuel prices had since normalised for our Group in 2023 and 2024. While electricity tariffs in Malaysia were stable between 2022 and 2024, the base electricity tariff has been increased by approximately 14.0% (with effect from 1 July 2025) for the 2025 to 2027 regulatory period.

Generally, our ability to pass on fuel and electricity cost increases to customers is limited. This is due to the regulated nature of port tariffs which constrain pricing flexibility. As a result, cost fluctuations are largely absorbed by our Group, potentially impacting our operating margins and overall profitability.

Increases in the price of fuel and electricity generally cause increases in our operating costs, potentially affecting our profitability in the instances where we are unable to pass on the costs to our customers. Fuel and electricity costs are subject to substantial fluctuations and influenced by various economic and political factors, such as political instability in oil-producing regions, most of which are beyond the control of the operating entities. Accordingly, an increase in fuel and electricity prices may adversely affect our business, financial condition, results of operations and prospects.

5.1.7 We face significant competition in the ports industry which could adversely affect our ability to maintain or increase our market share and profitability

We face competition from container terminal operators in the region and, to a lesser extent, container terminal operators globally. The main port competing for transshipment traffic with us in the Strait of Malacca is Westports due to its close proximity to the main shipping route along the Strait of Malacca, as well as Port of Singapore. We face competition for non-containerised cargo within Malaysia. In our cruise terminal operations, we face competition primarily from cruise terminals in Thailand and Singapore. This competitive environment is ever-present, creating a continuous risk that requires us to consistently enhance our services and operational efficiency to maintain our business, financial condition, results of operations and prospects. See Section 7.13 of this Prospectus for more information.

We may be required to modify our pricing strategies to remain competitive, such as by offering lower rates or other incentives and discounts, any of which could adversely affect our revenue, margins and profitability. Aside from pricing, competition also arises in terms of operational efficiency and strategic location or connectivity. Ports with more efficient operations such as more effective in cargo handling and vessel turnaround times, or better access to shipping routes and hinterland connections may be more

5. RISK FACTORS (Cont'd)

attractive to shipping lines and cargo owners. If our service levels or location advantages are perceived to be less competitive, we risk losing business to such competitors. To remain competitive, we may need to expand or upgrade our port infrastructure, including berth deepening, acquisition of new equipment, and implementation of digital and automation solutions, which would require additional capital investments that may affect our cash flows and increase our capital requirements in the short to medium term. If we are not able to compete successfully in the future against our existing or potential competitors, our business, financial condition, results of operations and prospects may be adversely affected.

5.1.8 We are exposed to credit risk with respect to our customers and our business could be adversely affected if our customers default on their obligations

While we strive to manage our credit risk by establishing credit limits for individual customers, obtaining financial guarantees from certain clients, and closely monitoring outstanding receivables, there remains a possibility that our customers may default on their obligations. This could occur due to reasons such as bankruptcy, liquidity issues, operational failures, or other unforeseen circumstances. Our credit risk is further heightened by the fact that our major customers are concentrated within the same industry, making them susceptible to similar economic and other external conditions. Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no significant impairment of trade receivables from either major or smaller customers that had a material impact on our operations or financial performance. Notwithstanding that, the Group continues to transact with some of these customers with impairment losses, while closely monitoring their creditworthiness and maintaining cautious engagement to effectively manage credit risk. For more information on how we manage our credit risk, refer to Section 12.2.13 of this Prospectus.

Any credit risk arising from delayed payments, non-payments, or non-performance by one or more of our major customers, or even several smaller customers, could significantly and adversely impact our business, financial health, operational results, and future prospects.

5.1.9 If we are unable to pass on increases in operating costs to our customers through an increase in tariffs in a timely manner, our operating results may be materially and adversely affected

The tariffs we charge customers in our port business are regulated by the relevant port authorities with the approval of the Ministry of Transport of Malaysia, and we must comply with the prescribed charges or scale of charges which are published in the gazette setting out the schedule of charges, which is a gazetted list of maximum tariffs that can be charged. In Malaysia, the process of revising and gazetting port tariffs involves consultation with various stakeholders, including the port operator, the relevant port authority and the Ministry of Transport. The timeline for the gazetting of tariff revisions may vary depending on the scope of the proposed changes and the extent of stakeholders engagement required. For example, as set out in Section 7.7 of this Prospectus, tariff increases for Northport were implemented in 2012, 2015, and 2019, while Penang Port saw adjustments in 2007, 2015, and 2021. Tariff increases are generally implemented in phases and thus there may be time lags between the events that caused us to petition for an increase and the actual increase in the tariff, which could negatively affect our results of operations. For details on tariffs and fees, refer to Section 7.7 of this Prospectus.

There can be no assurance that we will be able to raise tariffs in a timely manner to cover increased expenses or to respond to changes in market conditions. In addition, while there have not been decreases in gazetted tariffs applicable to us during the Financial Years Under Review, tariffs could be reduced in the future, including due to changes in Government leadership or policy.

5. RISK FACTORS (Cont'd)

A staggered port tariff increase has been approved for Port Klang, the first tariff adjustment for the port since 2015, with the first phase taking effect in July 2025. While we expect the impact on Northport's competitiveness to be manageable, there can be no assurance that the increases will not affect the competitiveness of Northport, if other regional ports offer lower rates or more favorable incentive structures.

Our Group has not been materially affected by delays in tariff adjustments during the Financial Years Under Review, and such delays did not have a material adverse impact on our financial performance during the Financial Years Under Review, while we continued to closely monitor our operational and financial performance. Notwithstanding that, if we continue to be unable to pass on increases in operating costs to our customers through timely tariff adjustments, it may materially and adversely affect our business, financial condition and results of operations.

5.1.10 The Government (through the MOF Inc.) by virtue of the special shares may have interests which conflict with those of our shareholders

The Government, through the MOF Inc, holds one special share in each of PTPSB, JPB, NMB and PPSB. The special shares are currently held by the MOF Inc. but may be transferred to its successor or any minister of the Government, representative or any person acting on behalf of the Government. The MOF Inc. as the Special Shareholder or any person acting on behalf of the Special Shareholder shall be entitled to receive notice of and to attend and speak at all general meetings or any other meetings of any class of shareholders of PTPSB, JPB, NMB and PPSB, but the special shares shall carry no right to vote or any other rights at such meeting. The Special Shareholder shall be entitled to nominate one director to be on the board of directors of NMB and two directors to be on the board of directors of PTPSB, JPB and PPSB. The Government appointed directors on the board of PTPSB may attend all meetings of the board but are only entitled to vote on matters that are considered to have national or security implications on Malaysia, whilst the Government appointed directors on the board of JPB, NMB and PPSB share the same rights as the other directors on the respective boards.

Any rights to veto or approve certain matters exist only in their capacity of a Special Shareholder. Certain matters, including, among others, the amendment, removal, or alteration of the effect of the Special Shareholder or any other matters that are likely to materially or adversely affect national interest or security require the prior consent of the Special Shareholder. For the terms of the special shares held by the MOF Inc., refer to Sections 6.3.1, 6.3.5, 6.3.9 and 6.3.12 of this Prospectus.

Our Group has not been materially affected by the special shares, and there has been no material adverse impact on the Group's operations or financial performance as a result of the special shares during the Financial Years Under Review. However, there can be no assurance that the interests of the board member appointed by the Government, or the representative of the Special Shareholder, will be aligned with those of our shareholders. In particular, any change in Government policy and/or direction on matters involving national interests, may have a material adverse impact on our financial condition and results of operation.

5.1.11 Certain tax incentives or exemptions from the Government may no longer be available to us in the future

We are eligible for certain tax incentives and exemptions granted by the Government relating to capital expenditure allowances. We benefit from the ITA, the IASS and similar incentives and accommodations that the Government provides from time to time to promote general economic growth and investments in selected industries. During the Financial Years Under Review, NMB, PTPSB and TBPSB have received the ITA, and PPSB has received the IASS, in each case for qualifying capital expenditures incurred for approved projects or service projects within certain tax assessment years. The amount is determined based on the qualifying capital expenditures incurred during

5. RISK FACTORS (Cont'd)

specific years of assessment as determined by the relevant authority for each of the said entities, and such qualifying capital expenditures have been or will be incurred during their respective incentive periods, including: (i) NMB – from 1 January 2023 to 31 December 2027 under ITA; (ii) PTP – from 23 April 2007 to 22 April 2017 under ITA, and from 30 March 2020 to 29 March 2023 under Green ITA; (iii) PPSB – from 24 September 2019 to 31 December 2020 under Green ITA, and from 1 January 2008 to 31 December 2012 under IASS; and (iv) TBP – from 10 March 2021 to 9 March 2026 under ITA. As at the LPD, unutilised ITA and IASS remain available for utilisation by the relevant entities.

We are entitled to set off these allowances against our statutory income, subject to a cap. Any unutilised ITA can be carried forward indefinitely until it is fully utilised, and any unutilised IASS can be carried forward for utilisation for up to seven consecutive assessment years, unless further extended by the relevant authority. For example, the expiry date of the unutilised IASS for PPSB has been extended to the year of assessment 2028.

For us to benefit from these tax incentives and exemptions, certain conditions must be satisfied during the period in which these tax incentives are in effect, and we must achieve a certain level of income after tax adjustments. To the extent that these conditions are not met before their respective expiry dates, these tax incentives and exemptions may no longer be available to us. Our Group has not been materially affected by any discontinuation of such incentives or exemptions that has had a material adverse impact on the Group's operations or financial performance during the Financial Years Under Review. If the relevant tax authorities choose to discontinue the tax incentives or exemptions we currently receive or that may be available to us in the future, either due to our failure to meet certain conditions necessary for such renewal or due to a change in policy or law, our results of operations and financial position may be adversely affected.

5.1.12 Any actual or perceived cybersecurity, data or privacy breach could interrupt our operations and adversely affect our reputation, brand, business, financial condition and results of operations

Our technology systems and back-end infrastructure may be vulnerable to cyberattacks and security breaches including social engineering, denial of service, credential stuffing, ransomware and other malware, employee error and malfeasance and other sources of disruption, and third parties may be able to access data. Employee error, malfeasance, or other errors in the storage, use or transmission of any of these types of data could result in an actual or perceived privacy or security breach or other security incidents. Although we have policies, system controls and checks restricting the access to the data we store, there is a risk that these policies may not be effective in all cases.

Any actual or perceived breach or similar incident could interrupt our operations; harm our reputation, brand and competitive position; result in our operating systems being temporarily unavailable; result in a loss or the unavailability of data; result in a fraudulent transfer of funds; or lead to significant regulatory investigations, proceedings and financial exposure. Any such incidents or any perception that our security measures are inadequate could lead to loss of our customers' confidence in, or decreased use of, our ports, any of which could adversely affect our business, financial condition and results of operations. Further, any cyberattacks, or actual or perceived breaches or other incidents directed at, or suffered by, our competitors could reduce confidence in our industry as a whole and, as a result, reduce confidence in us. Any actual or perceived breach or other security incident, impacting any entities with which we share or disclose data could have similar effects.

Our technology systems could also experience a material failure or breakdown that could interrupt normal operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could significantly impact our ability to offer services to

5. RISK FACTORS (Cont'd)

our customers, which may have an adverse effect on our business, financial condition, results of operations and prospects. Similarly, any significant delays or interruptions in our IT systems could cause delays and interruptions in the loading or unloading of containers or cargo which could negatively impact our reputation as an efficient and reliable terminal operator.

Our Group has not experienced any cybersecurity or data breaches, or material failures in our technology systems that have had a material adverse impact on our operations or financial performance during the Financial Years Under Review. Notwithstanding this, any actual or perceived cybersecurity, data or privacy breach could interrupt our operations and adversely affect our reputation, brand, business, financial condition and results of operations.

5.1.13 We are exposed to certain risks in respect of the expansion of our existing terminals and port facilities and the development of new terminals and port facilities

Our new projects contemplated or currently under development include, but are not limited to, expanding container handling and storage capacities at PTP, Johor Port and Northport, upgrading port equipment and terminals at Penang Port and adding a new berth and expanding the Pelepas Freezone at PTP. For more information on our expansion projects, refer to Section 7.5.4 of this Prospectus. Such expansion projects may take months or years before they become operational, during which time we are subject to a number of financing, operating and other risks beyond our control, including, but not limited to:

- (i) shortages of materials, equipment and labour;
- (ii) adverse weather conditions and natural disasters;
- (iii) adverse changes in demand for our services;
- (iv) labour disputes and/or disputes with sub-contractors;
- (v) inadequate infrastructure, including as a result of failure by third parties to fulfil their obligations relating to the provision of utilities and transportation links that are necessary or desirable for the successful operation of a project;
- (vi) failure to complete projects according to specification;
- (vii) accidents;
- (viii) changes in governmental planning and approval; and
- (ix) an inability to obtain and maintain project development permissions or requisite governmental licences, permits or approvals.

Currently, we intend to fund various expansion plans through internally generated cash for our ports' operations, bank borrowings and Sukuk issuances. For more information on our expansion plans, refer to Section 7.5.4 of this Prospectus. Our ability to arrange external financing and the cost of such financing are dependent on numerous factors, including our future financial condition, contractual restrictions applicable to us, general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investors' confidence in us, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction. We cannot assure you that we will be able to arrange any such external financing on commercially reasonable terms, if at all.

To the extent that we fund these plans through bank borrowings and/or Sukuk issuances, our Group's gearing ratio – which stood at 0.8, 0.9 and 0.9 as at 31 December 2022, 2023 and 2024 – may increase, which may potentially pose limitations for our Group to raise additional capital in the future as well as maintaining its credit rating and the price of our Shares. In comparison to industry peers, our gearing ratio is

5. RISK FACTORS (Cont'd)

within the range for the sector. Any increase will be closely monitored to ensure it remains manageable and does not impact our financial flexibility. Given that our expansion and development plans span multiple years, up to the FYE 31 December 2029 as disclosed in Section 7.5.4, the gearing ratio may fluctuate annually depending on the timing of capital expenditures and overall financial performance. However, we expect the gearing ratio to remain within the range of 1.0 to 1.5 during the said period, in line with industry peers, and subject to ongoing close monitoring by our Group.

As some expansion projects involve construction within operating terminals, there may be temporary disruptions to existing operations, such as reduced capacity or congestion, which could affect service levels and throughput during the construction period.

Delays with respect to these projects may negatively affect our ability to complete our current or future projects on schedule, if at all, or within the estimated budget and may prevent us from achieving the projected revenues, internal rates of return or increased capacity associated with such projects. In addition, there can be no assurance that our revenues generated upon the completion of our projects will be sufficient to cover the associated expansion and development costs.

In addition, the timing and speed of commencement of revenue-generating operations from our projects and capital expenditures may vary considerably from our expectations based upon the size and complexity of the project being implemented, which is further dependent on factors such as government approval and macroeconomic conditions. These factors may make it difficult to replace anticipated income that we do not receive as a result of delays in implementing our services or due to losses of customers, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance. Notwithstanding this, the risk of delays or disruptions arising from the expansion of our existing terminals and port facilities and the development of new terminals and port facilities may have a material adverse effect on our business, financial condition, results of operations and prospects.

5.1.14 We require various governmental and regulatory approvals, licences, registrations, permits and property rights for our business as well as under the Privatisation Agreements, and the failure to obtain or renew them in a timely manner may adversely affect our operations

We require various governmental and regulatory approvals, licences, registrations and permissions for our business. Amongst others, we require approvals from the relevant port authorities to operate our port businesses, necessary licences for our information systems and certificates of fitness for certain machineries, some of which may have expired and for which we have either made or are in the process of making an application for obtaining approval or renewal. However, there can be no assurance that such approval or renewal will be obtained, which could have a material adverse effect on our operations. For further details on our major licenses and permits, refer to Annexure B of this Prospectus.

We are also required to obtain approval from the Government for various activities under the Privatisation Agreements, Lease Agreements and the relevant port licences. We are required to ensure that our ports comply with all plans, policies and directives of the Government and the port authorities and to ensure that our ports remain equipped to provide and maintain a full range of competitive and adequate port services. Furthermore, we are required to ensure that our ports' facilities and services are profitable and effectively managed and are required to allow the Government and/or the port authorities to conduct operational and financial audits throughout the concession period. We are also required to comply with all laws and the Government

5. RISK FACTORS (Cont'd)

policies on the conservation and preservation of the environment within the ports and to take all reasonable precautions to prevent pollution and adhere to all laws and regulations pertaining to pollution and discharge of effluent matters. Our port licences may be suspended or revoked if the Privatisation Agreements or the Lease Agreements are terminated for any reason. In this regard, we cannot assure you that such agreements will not be prematurely terminated (with or without cause) by the Government or the port authorities, respectively.

Additionally, any expansion of the scope of the regulations governing the environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of our ability to address environmental incidents or external threats.

Our Group has not experienced any material adverse impact on our operations or financial performance arising from the failure to obtain or renew any material governmental or regulatory approvals, licences, permits or property rights during the Financial Years Under Review. Notwithstanding this, our failure to obtain or comply with any of these or any other required approvals or licences, registrations, permits or renewals thereof, in a timely manner, or at all, could lead to substantial penalties, including criminal or administrative penalties, other punitive measures and/or increased regulatory scrutiny, trigger a default under one or more of our financing agreements or invalidate and/or increase the cost of the insurance that we maintain for our business. For the most serious violations, we may also be forced to suspend operations until we obtain such certifications, permits or licences or otherwise bring our operations into compliance. If we fail to obtain or renew the necessary governmental and regulatory approvals, licences, registrations, permits or property rights in a timely manner, or if we are unable to control the costs involved in complying with these and other laws and regulations or recover the full amount of such costs from our customers, our business, financial condition, results of operations and prospects may be adversely affected.

5.1.15 Our business could be affected by legal, regulatory, or political and social environment changes

Our business is subject to various laws, regulations, policies, and the political and social environment in Malaysia. Any legal, regulatory, or political and social environment changes could increase our costs and expenses. For example, from 1 February 2025, the minimum wage in Malaysia increased from RM1,500 per month to RM1,700 per month. The resulting increase in our operating expenses for FYE 31 December 2024 and up to the LPD was immaterial, as approximately 40.0% of our Group's workforce is subject to minimum wage requirements and the increase was relatively modest at RM200. Nevertheless, similar changes in laws or regulations in the future may lead to further cost increases that could adversely affect our margins and profitability.

We, like other port operators globally, regionally and domestically, are subject to various central, state, and local environmental, health, and safety laws and regulations, including regarding accidents, damage caused by air emissions, wastewater discharges, and solid and hazardous waste handling and disposal. We are also subject to the International Ship and Port Facility Security Code (ISPS Code), which places additional security, safety, and other obligations on us. We may incur additional costs and liabilities in relation to compliance with these laws and regulations or any remedial measures in relation thereto. Any non-compliance with such laws and regulations may force us to close our operations until we are in compliance with these laws and regulations, and in that event, our business, results of operations, financial condition and prospects may be adversely affected. In the event of non-compliance, our licences and approvals may be revoked or may not be renewed upon expiry. Similarly, any breach of these laws and regulations can result in penalties, fines, potential prosecution against us and/or our directors, restrictions on operations and/or remedial liabilities.

5. RISK FACTORS (Cont'd)

We are also subject to the risk that regulatory authorities may, from time to time, impose additional standards and requirements, which could be more stringent or onerous than those which currently apply to us. Additional standards and requirements could require substantial investment in time on behalf of our management and staff, which may adversely affect our business and results of operations. Accordingly, any legal, regulatory, or political and social environment changes could adversely affect our business, financial condition, results of operations and prospects.

5.1.16 Our operations are dependent on road and rail connectivity and any disruption in the operation of or delays in the improvements to the road and rail network may have an adverse effect on our business and results of operations

Our ports connect to Malaysia's hinterlands via the North-South Expressway, North-South Expressway Central Link, Shah Alam Expressway and South Klang Valley Expressway. The North-South Expressway spans the length of Peninsular Malaysia from Bukit Kayu Hitam at the Malaysia-Thai border to the Johor Causeway in the south, covering a distance of 772 kilometres. This expressway along the west coast of Peninsular Malaysia together with the New Klang Valley Expressway and the Federal Highway Route 2, play an important role in the distribution of import/export cargo through our ports. However, there can be no assurance that existing linkages can cater for the increase in traffic as we seek to increase throughput at our ports in the future. We may experience short-term disruptions to our operations if road, sea or air linkages become temporarily unavailable. Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance as a result of road or rail connectivity issues.

In addition, there can be no assurance that existing or planned supporting road, highway and railway infrastructure near our ports will be completed or will not be closed, relocated, terminated or delayed. Such occurrences would adversely impact the accessibility of our ports and our appeal and marketability to customers. This, in turn, may have an adverse effect on our business, financial condition, results of operations and prospects due to the risk of disruptions in the operation of or delays in the improvements to the road and rail network on which we are dependent.

5.1.17 Our debt service requirements and restrictive covenants limit our ability to borrow additional funds, issue Sukuk, make distributions to our shareholders and engage in other activities

We have funded our operations since inception primarily through revenue generated from our business, borrowings from financial institutions and Sukuk issuances. Our obligations to repay principal and interest may make us vulnerable to economic downturns. If we cannot meet our repayment obligations through operational cash flow, we may need to use additional debt or equity financing. We intend to continue to make investments to support the development and growth of our business and will require additional funds to support our growth. There is no assurance that such financing will be available on acceptable terms or at all.

Existing bank borrowings and Sukuk contain a number of covenants that limit our ability and/or our subsidiaries' ability to, among others, sell, transfer or dispose of assets or receivables, pay dividends or make distributions, incur additional indebtedness, create liens, make investments, loans and acquisitions, engage in transactions with affiliates, merge or consolidate with other companies or sell substantially all of our assets. We are also subject to certain restrictions under the terms of the Sukuk we have issued. In particular, our Company is subject to restrictions under the terms of our outstanding Sukuk from declaring or making any payment and/or cash distribution, whether capital or income in nature, to our shareholders, if an event of default has occurred and is continuing under the financing arrangement. Our subsidiaries are also subject to similar restrictions under their outstanding Sukuk from declaring or making any payment and/or cash distribution, whether capital or income in nature, to its shareholders. These

5. RISK FACTORS (Cont'd)

arrangements also require the maintenance of certain financial ratios and, in some cases, prior written consent from relevant securityholders before making distributions.

The terms of our bank borrowings and Sukuk may restrict our current and future operations and could adversely affect our ability to finance our future operations or capital needs. In addition, complying with covenants in our bank borrowings may make it more difficult for us to successfully execute our business strategy and compete against companies who are not subject to such restrictions. Additionally, our obligations to repay principal and interest on our indebtedness may make us vulnerable to economic or market downturns. If we are unable to comply with our payment requirements, our lenders may accelerate our obligations under our bank borrowings and foreclose upon the collateral, or we may be forced to sell assets, restructure our indebtedness or seek additional equity capital, which would dilute our shareholders' interests. Failure to comply with any covenant could result in an event of default under the agreement and the lenders (or any subsequent lender) could make the entire debt immediately due and payable. If this occurs, we might not be able to repay our debt or borrow sufficient funds to refinance it. Even if new financing is available, it may not be on terms that are acceptable to us. These events could cause an adverse impact on our financial conditions and results of operations or cause us to cease operations.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to our debt service requirements and restrictive covenants. Nevertheless, we may be adversely affected by this risk of our debt service requirements and restrictive covenants limiting our ability to borrow additional funds, issue Sukuk, make distributions to our shareholders and engage in other activities, which could adversely affect our business, financial condition, results of operations and prospects.

5.1.18 Changes in technology or improper maintenance may render our current equipment obsolete or require us to make substantial capital investments

Our business depends on specialised equipment, machinery and systems that are essential to our operations, including electrified RTGs and quay cranes, and key systems such as our terminal operating systems and enterprise resource planning systems. In addition, we rely on other digital systems such as vessel traffic management information systems, marine risk management systems, digital twin technology, and IoT applications to support the management of our port operations. As advancements are made in the development of these equipment, machinery and systems, we may be unable to ensure that our equipment, machinery and systems are in line with the latest technological advances, which may result in competitor ports becoming equipped with more advanced and efficient equipment, machinery and systems over time. This may adversely affect our ability to retain and attract customers, which in turn have an adverse effect on our business, financial condition and results of operations.

A significant portion of the equipment, machinery and systems that we use requires regular maintenance, upgrading, revamping or replacement. Despite our planned operating and capital expenditure, there can be no assurance that our equipment, machinery and systems will not suffer material damage through wear and tear, natural disasters or industrial accidents, or will not require further significant capital improvements or maintenance in the future. Any failure, malfunction, cyberattack or disruption to our key operational and digital systems could result in operational downtime or data loss. Additionally, we may fail to maintain sufficient financing and budgetary controls, planning and monitoring systems, procurement coordination, scheduling for equipment upgrading and maintenance and efficient use of hired services with respect to our equipment, all of which may increase the cost of operations which could have an adverse effect on our business, financial condition, results of operations and prospects.

5. RISK FACTORS (Cont'd)

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no corresponding material impact on our operations or financial performance. Notwithstanding that, any failure to maintain or upgrade our equipment, machinery or systems in a timely or cost-effective manner could adversely affect our business, financial condition, results of operations and future prospects.

5.1.19 We rely on third party vendors and service providers for certain port operations which may be subject to interruption

We rely on certain third-party vendors and service providers for certain aspects of port operations at our various ports, including, for example, to supply and maintain equipment and IT systems as well as to provide marine tugboat services, pilotage services and prime mover fleet services at some of our ports. In the event that one or more of such third-party vendors and service providers cease operations or become unable or unwilling to meet our needs, for example, due to work stoppage or labour unrest, there can be no assurance that we would be able to replace any such vendors or service providers promptly or on commercially reasonable terms. Delay or failure in finding suitable replacements could adversely affect our business, financial condition, results of operations and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to reliance on third-party vendors and service providers. Nevertheless, we may be adversely affected by this risk of relying on third-party vendors and service providers for certain port operations which may be subject to interruption.

5.1.20 Our operations and workforce may be adversely affected by risks related to worker safety and hazardous activities

Our business involves inherently dangerous activities, including operating port facilities where individuals work with equipment, and other materials that can cause harm if not handled with due care, as well as transportation activities that pose additional risks. Unsafe working conditions or acts by our employees or service providers, including non-compliance with operational safety and health policies, can lead to hazardous situations and accidents. Such incidents may result in injury or death to individuals, damage to property, and disruptions to our operations, exposing us to regulatory scrutiny, legal and financial liabilities, including compensation claims and significant reputational damage. Ensuring a safe working environment requires ongoing investment and vigilance, and any failure to maintain these standards could adversely affect our reputation, business, financial condition, results of operations, and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to worker safety or hazardous activity incidents. Nevertheless, we may be adversely affected by this risk of worker safety and hazardous activities, which could adversely affect our business, financial condition, results of operations and prospects.

5.1.21 We may handle goods that are hazardous, which could result in spills and/or environmental damage

Some of our customers are involved in the transportation of hazardous materials. The transportation of these materials, which are handled by us or our third-party operators, such as petroleum or chemicals, is subject to the risk of leaks and spills, which may cause environmental damage. In addition, vessels operating in the waterways surrounding our ports may also be involved in spillage incidents involving hazardous materials, which can similarly affect our operations and the environment. For example, in 2016, the container wharf area at PTP was affected by a spill incident involving a tanker carrying marine fuel oil at a third-party berth located across from our wharf. This incident resulted in temporary operational disruptions, which had a short-term impact

5. RISK FACTORS (Cont'd)

on revenue and led to cleanup costs. However, such events have not had any material adverse effect on our overall operations or financial performance, as the costs incurred were recovered through an insurance claim against the vessel's insurer. Furthermore, our customers may ship undeclared hazardous cargo to avoid surcharges for which we may be held accountable. Although our management believes that our container terminals do not handle or store these hazardous chemicals in quantities that are in violation of any applicable regulations, there can be no assurance that they have not in the past or will not in the future violate applicable environmental regulations. Violations of environmental regulations may subject us to fines and penalties or result in the closure or temporary suspension of our operations. If we are found to have violated any environmental regulations because of the cargo handled and stored or required to discontinue handling such cargo, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to spills or environmental damage caused by hazardous materials. Nevertheless, we may be adversely affected by this risk of handling hazardous goods, which could result in spills and/or environmental damage, and could adversely affect our business, financial condition, results of operations and prospects.

5.1.22 We face risks related to ESG matters, which may impose additional costs and expose us to new risks

We are subject to risks from evolving ESG regulations and stakeholder expectations, which could affect our operations and financial condition. New or changing ESG regulations may require significant costs for compliance, reporting, and operational adjustments, such as adapting to climate change impacts like rising sea levels or extreme weather events that could disrupt port activities. Social issues, including labour disputes or community opposition, and governance obligations, such as compliance with anti-corruption laws, may lead to operational interruptions or penalties. Stakeholders, including investors and customers, increasingly expect strong ESG performance, and failure to meet these expectations could harm our reputation and access to capital. Investments in ESG initiatives may also strain our financial resources. These risks could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to ESG matters. Nevertheless, we may be adversely affected by this risk of ESG-related matters, which may impose additional costs and expose us to new risks, and could adversely affect our business, financial condition, results of operations and prospects.

5.1.23 Our operations could be adversely affected by strikes, work stoppages, increased wage demands by our employees or any other kind of disputes with our employees

Although we have not experienced any material labour unrest or disputes with employee unions, there can be no assurance that we will not in the future experience disruptions in work due to disputes or other problems with our workforce, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent, or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Any such event could adversely affect our business, financial condition, results of operations and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there have been no strikes, work stoppages, increased wage demands or other employee disputes that had any material impact on our operations

5. RISK FACTORS (Cont'd)

or financial performance. Nevertheless, we may be adversely affected by this risk of labour disruptions, which could adversely affect our business, financial condition, results of operations and prospects.

5.1.24 Our business and facilities may be adversely affected by severe weather conditions or natural disasters in Malaysia or elsewhere

Our business and operating facilities may be adversely affected by severe weather conditions, such as heavy rain and flooding, haze, dense fog and low visibility, climatic changes or natural disasters such as earthquakes, tremors, tsunamis and hurricanes. Such severe weather conditions, climatic changes or natural disasters may force us to temporarily suspend operations at our terminals. In some cases, we may temporarily suspend operations based on warnings from local and national meteorological departments. If weather conditions, climatic changes or natural disasters of any type were to force the terminals to close for an extended period of time, our facilities and business may be adversely affected. In addition, any weather condition, climatic change or natural disaster, including but not limited to severe monsoons or flooding, affecting ports that serve as starting points or final destinations for shipping lines calling at us may have an adverse effect on our business. Fortunately, our Group had not in the past been materially affected by severe weather conditions or natural disasters occurring in Malaysia or elsewhere, which could adversely affect our business, financial condition, results of operations and prospects.

Natural disasters in Malaysia and/or in Southeast Asia may lead to a disruption of transportation networks, information systems and communication services on which we rely for sustained periods of time. Further prolonged spells of natural calamities could have a negative impact on the Malaysian economy, adversely affecting our business. We may also be liable to our customers for disruption in our operations resulting from such damage or destruction. Furthermore, prolonged disruption of port operations may entitle our customers to terminate their contracts. Any such disruptions arising from this risk of our business and facilities being adversely affected by severe weather conditions or natural disaster in Malaysia or elsewhere may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.25 Our operations depend on the adequate and timely supply of spare parts and equipment at acceptable prices and quality

Our operations rely on our ability to secure spare parts and equipment from suppliers at reasonable prices, with acceptable quality, and delivered in a timely manner. We face market risks associated with price fluctuations for certain spare parts and equipment. Prices and availability of these items may vary significantly over time, influenced by factors such as consumer demand, production capacity, market conditions, and the costs of raw materials. Additionally, the supply of spare parts and equipment critical to our operations is largely affected by the economic, environmental, and other factors in the areas where we do business. As a result, we cannot guarantee that we will always be able to obtain sufficient spare parts or equipment at acceptable prices or within the required timeframe. Moreover, if we are compelled to purchase such items at higher prices, we may not be able to pass these cost increases onto our customers.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance due to supply disruptions of spare parts or equipment. Nevertheless, failure to secure adequate spare parts and equipment in a timely manner, or on commercially reasonable terms, could materially and adversely impact our operations, financial performance, and overall business health.

5. RISK FACTORS (Cont'd)

5.1.26 Risk of indirect tax compliance

We have taken the position to not charge service tax on logistics services that we provide within the free zones surrounding our ports. This position aligns with the intention behind establishing such free zones, which is to promote commercial and trading activities through entrepôt trade and pro-business policies. However, based on the current service tax legislation and exemptions provided under the service tax policy promulgated by the Ministry of Finance, our position could be challenged, potentially resulting in service tax liabilities being assessed on us.

We have been informed by our tax consultant that the service tax rate that could be levied on us for providing logistics services within our free zone areas is 6.0%, with retroactive effect from 1 April 2024, which is the applicable service tax registration date. Additionally, this tax liability would be subject to a late penalty of up to 40.0%. In assessing potential service tax exposure, our Group applied judgment that the logistic services provided within the free zones qualify for the B2B exemption, as the recipients meet the required conditions of the B2B exemption. The potential service tax exposure will accumulate until the matter is resolved. Presently, we are pursuing an exemption from the MOF on this position and the process is ongoing as of the date of this Prospectus.

In the absence of the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM128.6 million inclusive of a late payment penalty of RM36.7 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM64.8 million inclusive of a late payment penalty of RM18.5 million from 1 January 2025 until the LPD, based on the maximum penalty rate of 40.0%. If imposed, these liabilities would have a material adverse impact on the financial condition of our Group. However, the likelihood of not qualifying for the B2B exemption is considered low. This assessment is based on customer feedback conducted by our Group, where the majority of our customers indicated that they satisfy the criteria for the B2B exemption. Their responses formed the basis for estimating the potential service tax liabilities with the B2B exemption factored in, as set out below. In view of the foregoing, our Board is of the view that the materiality of this risk is mitigated.

Applying the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM18.1 million inclusive of a late payment penalty of RM5.2 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM13.4 million inclusive of a late payment penalty of RM3.8 million from 1 January 2025 until the LPD, based on the maximum penalty rate of 40.0%. Our Board is of the view that the aforesaid estimated service tax liabilities under B2B exemption (including any late payment penalties), if imposed, will not have a material adverse impact on the business operations and financial condition of our Group.

5.1.27 Fluctuations in currency exchange rates may have an adverse effect on our results of operations

While our revenue is in RM, we face exposure to foreign currency exchange rate fluctuations when making purchases in currencies other than RM. We have incurred, and anticipate continuing to incur, expenses for items like machinery and parts, primarily priced in USD. Additionally, our fuel and electricity purchases, though priced in RM, are subject to foreign exchange rate fluctuations because their costs are tied to global fuel and electricity prices. Consequently, currency fluctuations can impact our operational results. A depreciation of RM against the USD could raise the costs of fuel, electricity, machinery, and parts essential for our operations. Conversely, an appreciation of RM against the USD might lower these costs in RM terms. Moreover, an appreciation of RM against other currencies could impact our competitiveness, as the tariffs for our revenue services may become more expensive compared to those charged by competitors in other currencies. For more information on currency risk, please refer to Section 12.2.13 of this Prospectus.

5. RISK FACTORS (Cont'd)

Our Group has not been materially affected by this risk during the Financial Years Under Review, with no material impact on our operations or financial performance. Notwithstanding this, any significant future fluctuations in currency exchange rates may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.28 **Our key management team and other key personnel in our business units are critical to our continued success and the loss of, or the inability to attract and retain, such personnel in the future could harm our business**

Our success substantially depends on the continued service and performance of our key management team and other key personnel, including the management teams of our ports and cruise terminals, for the management and running of operations and the planning and execution of our business strategy. Our ability to implement our business strategy will depend, in large part, on our ability to attract, train, motivate and retain highly skilled personnel. There is intense competition for experienced senior management and other key personnel with technical and industry expertise in the ports industry and if we lose the services of any of these key individuals to competitors and are unable to find suitable replacements in a timely manner, our ability to implement and realise our strategic objectives could be impaired. The loss of services of some of our senior management team may adversely affect our business, results of operations and prospects.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no material impact on our operations or financial performance. Nevertheless, the inability to retain or attract key management personnel in the future may have an adverse effect on our business, financial condition, results of operations and prospects.

5.1.29 **Terrorist acts and other catastrophic events may affect our operations**

Our operations may face adverse effects or disruptions due to terrorist attacks, natural disasters (such as earthquakes, floods, tsunamis, hurricanes, hydrological and climatic patterns, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

- (i) invasion, piracy, sabotage, rebellion, revolution, insurrection, military or usurped power, war and radioactive or other material environmental contamination;
- (ii) riots or other forms of civil disturbance;
- (iii) any recurrence of severe acute respiratory syndrome or other contagious disease, which could negatively impact global, regional or domestic trade volumes or customer demand with respect to cargo transported to or from affected areas or result in the imposition of quarantines;
- (iv) denial of access to any railway, port, airport, shipping service or other means of public transport; and
- (v) strikes, lockouts, or other industrial actions by workers or employers.

Our Group has not been materially affected by this risk during the Financial Years Under Review, and there has been no occurrence of such events that had a material impact on our operations or financial performance. Nevertheless, the occurrence of terrorist attacks and other catastrophic events may materially and adversely impact our business, financial condition, results of operations and prospects.

5. RISK FACTORS (Cont'd)

5.1.30 If it is determined or alleged that our currently utilised structures require but do not have certain certifications, and would necessitate temporary cessation of our operations prior to rectification, our business, financial condition and results of operations may be adversely affected

In general under regulations relating to the operation of a business on site, occupancy, and land use rights, any person who occupies, or permits to be occupied, any building or any part thereof is required to obtain a CCC or CF for such occupation. If the CCC or CF is not obtained in respect of such properties, owners and occupants may be required to vacate such properties and may become subject to a fine and/or imprisonment, pursuant to the applicable legislation. However, as explained in Sections 7.21(i), (ii), (iii) and (vi) of this Prospectus, the approving authority for buildings and other structures that are part of our port concessions is the relevant port authority. While we endeavor to obtain CCCs and CFs where commercially feasible, we have not done so for a number of our buildings and structures (most of which were constructed before privatization), consistent with how the port authorities operated these buildings and structures prior to privatisation. If, in the future, port or other authorities interpret or otherwise determine or allege that certain approvals, certifications, or clearances (including those from port authorities and, where applicable, state or local authorities), such as CCCs or CFs, are required and have not been obtained by us, we may be subject to enforcement actions such as fines, orders to vacate the premises, or other penalties under applicable laws and regulations, which could have a material adverse impact on our business and operations.

Our Group has not been materially affected by this risk during the Financial Years Under Review. Nevertheless, failure by us to renew, maintain or obtain the required approvals, licences, permits and certificates may interrupt our operations, delay, or prevent the implementation of any capacity expansion or new projects and may have a material adverse effect on our business, financial condition, results of operations and prospects.

5.1.31 An outbreak of disease, a global or localised health pandemic or epidemic or a similar public health threat, or fear of or response measures to such an event, and disruptive global political events could have a material adverse effect on our business, financial condition and results of operations

If there is an outbreak of a pandemic of infectious diseases or other health epidemics, whether in Malaysia or in other countries, or disruptive political events, such developments may lead to the introduction of restrictions on economic activity, which may result in material disruptions in the movement of cargo, travel, and the ports industry. Global trading volumes could likewise decline, impacting the demand for port services. Additionally, operational challenges such as workforce shortages could affect our ability to maintain efficient port operations. A significant outbreak of contagious diseases in the human population could also adversely affect the economies and financial markets in Malaysia and elsewhere, resulting in an economic downturn that could have a material adverse effect on the ports industry, including our business. Although COVID-19 temporarily disrupted our port operations in the first quarter of 2020, the essential nature of the ports industry allowed us to continue operations throughout the pandemic to support critical supply chains. As a result, we did not experience any major operational disruptions, and our financial performance remained stable.

Nevertheless, any future outbreak of contagious diseases, similar public health threats or disruptive global political events may have a material adverse effect on our business, financial condition and results of operations.

5. RISK FACTORS (Cont'd)

5.1.32 We may suffer uninsured losses or losses in excess of insured limits

We maintain a range of insurance policies consistent with general business practices and industry standards where practicable. Our insurance policies cover risks such as fire, flood, riot, strike, malicious damage, and public liability to protect against property damage, business interruption and general liability.

There are, however, certain types of losses that are generally not insured as they are either uninsurable or not economically insurable, for example, losses arising from wars, acts of terrorism or acts of God. Should an uninsured loss or a loss in excess of insured limits or a failure of insurers to fulfil their obligation for the sum insured occur, we could be required to pay compensation and/or lose the capital we invested in the property, as well as anticipated future revenue from that property.

During the Financial Years Under Review, our Group has not been materially affected by this risk, and there has been no occurrence of such events that had a material impact on our operations or financial performance. Nevertheless, any such loss could adversely affect our business, financial condition, results of operations and prospects. There can be no assurance that material losses arising from uninsured losses or losses in excess of insured limits will not occur in the future that exceed the compensation received or that adequate insurance coverage will be available in the future on commercially reasonable terms or rates.

5.1.33 Certain of our subsidiaries are subject to shareholders' agreements that require their minority shareholders to consent to reserved matters

While the Group controls and consolidates all its subsidiaries, certain subsidiaries that are not wholly owned are subject to shareholders' agreements that include reserved matters requiring the consent of minority shareholders. These reserved matters may include, among others, decisions within and outside the ordinary course of business, and could affect the speed or flexibility with which strategic decisions involving such subsidiaries are made.

During the Financial Years Under Review, our Group has not been materially affected by this risk, and there has been no instance where the requirement to obtain consent from minority shareholders on reserved matters had a material impact on our operations or financial performance. Nevertheless, any future inability to reach agreement with minority shareholders on such reserved matters could adversely affect our business, financial condition, results of operations and prospects.

5.1.34 We may face legal disputes in the future that could impact our operations and financial performance

We operate in a complex industry where disputes may arise with various stakeholders, including customers, third-party vendors and contractors, regulatory authorities, or employees, potentially leading to legal proceedings. Such disputes could stem from issues like contractual disagreements, non-compliance with regulatory requirements, environmental concerns, or labour-related claims. The likelihood and impact of future legal disputes may be evaluated by our historical performance, though past patterns are not necessarily predictive of future outcomes. Any prior disputes, whether frequent or significant, could indicate areas of vulnerability, such as operational or compliance challenges. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular dispute or any adverse judgments arising from the legal proceeding will not have a material adverse effect on our future cash flow, results of operations or financial condition. We may incur substantial legal expenses due to any litigation or legal proceedings. As at the LPD, our Group is not engaged in any governmental proceedings pursuant to the Government Proceedings Act 1956, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material

5. RISK FACTORS (Cont'd)

or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

During the Financial Years Under Review, our Group has not been materially affected by this risk, and there has been no occurrence of legal or arbitration proceedings that had a material impact on our financial position or profitability. Nevertheless, any future legal disputes may have a material adverse effect on our business, financial condition, results of operations and prospects.

5.1.35 We could be impacted by matters affecting reputation, litigation, regulatory or other matters due to our association with MMC Corp

We are associated with MMC Corp. As a wholly-owned subsidiary of MMC Corp, we believe that we benefit from the industry reputations of MMC Corp in our business dealings, including with our customers and suppliers. Any negative publicity on MMC Corp or changes in the public opinion regarding MMC Corp could harm our reputation and the confidence in and use of our ports and services. If MMC Corp does not successfully maintain a strong and trusted brand, our business, financial condition, results of operations and prospects could be adversely affected even if we are not involved. We may incur additional costs in addressing such matters regardless of merit or outcome. This may also divert our management's time and attention.

During the Financial Years Under Review, our Group has not been materially affected by any matters involving MMC Corp that had an adverse impact on our operations or financial performance. Nevertheless, any negative developments or reputational issues affecting MMC Corp in the future may have a material adverse effect on our business, financial condition, results of operations and prospects.

5.2 RISKS RELATING TO OUR INDUSTRY

5.2.1 We depend on security measures implemented at other port facilities and by our shipping line customers, which are beyond our control

We inspect the physical condition and the seals of containers that enter our ports in accordance with our own practices and the inspection procedures prescribed by the relevant port authorities charged with oversight of our ports. We also rely on the security procedures carried out by shipping line customers and the port facilities that containers have previously passed through to supplement our own inspection to varying degrees. There can be no assurance that the cargo that passes through our ports will not be affected by breaches in security or acts of terrorism, either directly or indirectly, in other areas of the supply chain, which would have an impact on us. A security breach or act of terrorism that occurs at one or more of the facilities, or at a shipping line or other port facility that has handled the cargo prior to the cargo arriving at our facilities, could subject us to significant liability, including the risk of litigation and damage to our reputation. A major security breach or act of terrorism that occurs at one of the facilities or one of our competitors' facilities may result in a temporary shutdown of the container terminal industry and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including us. The costs associated with any such outcome may have an adverse effect on our business, financial condition, results of operations and prospects.

During the Financial Years Under Review, our Group has not been materially affected by security breaches or acts of terrorism occurring at external port facilities or by shipping line customers that had an adverse impact on our operations or financial performance. Nevertheless, any such event in the future may have an adverse effect on our business, financial condition, results of operations and prospects.

5. RISK FACTORS (Cont'd)

5.2.2 Additional security requirements may raise our operating costs and limit our ability to conduct business effectively

Various domestic and international bodies, governmental agencies and authorities have adopted requirements that port operators implement security measures, and such measures have affected and may affect our operations and our costs associated with such operations. For example, compliance with the International Ship and Port Facility Security Code (ISPS Code), a mandatory security framework under the International Maritime Organisation, requires us to meet various surveillance and preparedness standards. Port security services are provided by a dedicated police auxiliary force through 24/7 surveillance systems, security patrols, marine patrol vessels, and aerial drone monitoring, all of which have been costly to implement and maintain. Failure to comply with the security requirements applicable to us or to obtain relevant security-related certifications may, among other things, prevent certain shipping line customers from using our facilities and result in higher insurance premiums, which could have an adverse effect on our business, financial condition, results of operations and prospects.

The costs associated with existing and any additional or updated security measures will negatively affect our operating income to the extent that we are unable to recover the full amount of such costs from our customers, who generally also have faced increased security-related costs. Similarly, additional security measures that require us to increase the scope of our screening procedures may effectively reduce the capacity of, and increase congestion at our ports, which may negatively affect our business, financial condition, results of operations and prospects.

During the Financial Years Under Review, our Group has not been materially affected by this risk, and there has been no adverse impact on our operations or financial performance. Nevertheless, there can be no assurance that future security requirements or compliance obligations will not have an adverse effect on our business, financial condition, results of operations and prospects.

5.3 RISKS RELATING TO OUR SHARES AND OUR LISTING

5.3.1 There is no prior market for our Shares, and it is uncertain whether an active, liquid market for our Shares will ever develop

Prior to our IPO, there has been no prior public market for our Shares. Accordingly, there is no assurance that an active market for our Shares will develop upon Listing or, if developed, that such a market can be sustained. Neither we nor our Promoters have an obligation to make a market for our Shares or, if such a market does develop, to sustain it. In addition, there can be no assurance that the trading price of our Shares will reflect our operations and financial condition, our growth prospects or the growth prospects of the industry in which we operate. There can be no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares. There can be no assurance that the Final Retail Price will correspond to the price at which our Shares will trade on the Main Market of Bursa Securities upon our Listing. There also can be no assurance that the Final Retail Price will not decline below the price of our Offer Shares.

Our controlling shareholder, MMC Corp was listed on the Main Market of Bursa Malaysia until it completed a delisting exercise in December 2021. The price and liquidity of MMC Corp's shares prior to its delisting are not indicative of the future price and liquidity of our Shares and should not be considered when making an investment decision in relation to our Shares.

Accordingly, there is no assurance that an active, liquid market for our Shares will develop, and investors may be unable to realise a return or recover their investment.

5. RISK FACTORS (Cont'd)

5.3.2 Our Share price and trading volume may be volatile

Our Share price and trading volume may fluctuate as a result of, among other things,

- (i) general market, political and economic conditions;
- (ii) trading liquidity of our Shares;
- (iii) differences between our actual financial and operating results and those expected by investors and analysts;
- (iv) changes in earnings estimates and recommendations by financial analysts;
- (v) changes in market valuations of listed shares in general or shares of companies comparable to ours;
- (vi) changes in government policy, legislation or regulation; and
- (vii) general operational and business risks.

In addition, many of the risks described in this Section could materially and adversely affect the market price of our Shares. Furthermore, if the trading volume of our Shares is low, price fluctuation may be exacerbated. While locked up shareholders are restricted from selling any of their Shares for a period of six months following our Listing, the market price of our Shares may also fluctuate if our existing shareholders choose to sell their Shares in the future. For further details on the moratorium and our lock-up arrangements, see Sections 2.2 and 4.8.3 of this Prospectus. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Final Retail Price.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility, which has affected the share prices of many companies. The share prices of many companies have experienced wide fluctuations which were not always related to the operating performance of those companies. There can be no assurance that the price and trading of our Shares will not be subject to similar volatility.

5.3.3 We may not be able to pay dividends

The declaration and payments of any dividend is subject to the confirmation of our Board as well as any applicable law, licence conditions and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board. See Section 12.5 of this Prospectus for further details.

Dividend payments are not guaranteed, and our Board may decide, in its sole absolute discretion, at any time and for any reason, not to pay dividends or to pay smaller dividends than we currently propose. Additionally, as our Company is a holding company and substantially all of our operations are conducted through our subsidiaries and associates, our Company relies on dividends and other distributions from our subsidiaries and associates as our Company's principal source of income. Our Group may in the future enter into financing agreements that limit our ability to pay dividends or other distributions, and we may incur expenses or liabilities that would reduce or eliminate the cash or profit available for distribution. If we do not pay dividends or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced.

Additionally, any payment of dividends may adversely affect our ability to fund unexpected capital expenditures, as well as our ability to make future interest and principal repayments on any borrowings we may have outstanding at the time. As a

5. RISK FACTORS (Cont'd)

result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be possible or on favourable terms or at all. Further, in the event we incur new borrowings subsequent to our Listing, we may be subject to covenants restricting our ability to pay dividends.

Accordingly, there can be no assurance that we will be able to declare or pay dividends in the future.

5.3.4 The sale, or possible sale, of a substantial number of our Shares in the public market following our Listing could adversely affect the price of our Shares

Following our Listing, 4,272,000,000 Shares, representing 30.0% of our issued Shares, will be held by investors participating in our Listing, and 9,968,000,000 Shares, representing 70.0% of our issued Shares will be directly held by our Promoter, MMC Corp, assuming the Over-allotment Option is not exercised. Save for the restrictions pursuant to the moratorium and our lock-up arrangements as set out in Sections 2.2 and 4.8.3 of this Prospectus, respectively, our Shares sold in our IPO will be traded on the Main Market of Bursa Securities without restriction following our Listing.

Our Promoters and other shareholders, including the Selling Shareholder, could dispose of some or all of our Shares that they hold after the moratorium period pursuant to their own investment objectives. If our shareholders sell, or are perceived as intending to sell, a substantial amount of our Shares that they hold, the market price for our Shares could be adversely affected.

5.3.5 There may be a delay in or termination of our Listing

The occurrence of certain events, including the following, may cause a delay in or termination of our Listing:

- (i) the Joint Underwriters' exercise of their rights under the Retail Underwriting Agreement, or the Joint Bookrunners' exercise of their rights under the Placement Agreement, to discharge themselves of their obligations under such agreements;
- (ii) our inability to meet the minimum public shareholding spread requirement pursuant to Paragraph 3.06 of the Listing Requirements of having at least 25.0% of the total number of our Shares for which our Listing is sought being in the hands of at least 1,000 public shareholders holding at least 100 Shares each at the point of our Listing; or
- (iii) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

Where prior to the transfer of the Offer Shares:

- (i) the SC issues a stop order under Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and the Selling Shareholder or such other person who receives the monies, shall repay without interest all monies received in respect of the applications for the Offer Shares within 14 days of the stop order, failing which the Selling Shareholder shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any Offer Shares, and all monies paid in respect of all applications for the Offer Shares will be refunded free of interest.

5. RISK FACTORS (Cont'd)

Where after the transfer of the Offer Shares:

- (i) the SC subsequently issues a stop order under Section 245(1) of the CMSA, the issuance of such securities shall be deemed null and void, and the Selling Shareholder or such other person who received the monies shall:
 - (a) promptly repay, without interest, all monies received from the applicants; and if any such monies are not repaid within 14 days from the date of service of the stop order, shall be liable to repay such monies with interest at the rate of 10.0% per annum or such other rate as may be specified by the SC; and
 - (b) take all necessary steps to give effect to the stop order.

5.3.6 Forward-looking statements in this Prospectus may not be accurate

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations, as well as assumptions considered in arriving at our expected market capitalisation upon Listing derived from the discounted cash flow method, including potential cash flows and earnings of our business, increments in port tariff and projected volume growth are forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competition, the impact of new laws and regulations affecting our industry and government initiatives. Forward-looking statements can be identified by the use of forward-looking terminology such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions and include all statements that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may be beyond our control which may cause our actual results, performance or achievements of our Group, or industry results, to be materially different from any future results, performance, achievements or industry results expressed or implied by such forward-looking statements.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved. Accordingly, reliance should not be placed on such forward-looking statements as actual outcomes may differ materially, which could adversely affect your investment decision.

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6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

6.1.1 History and background

Our Company was incorporated in Malaysia under the Act 1965 on 26 September 2006 as a private limited company under the name of MMC Ventures Sdn Bhd and is deemed registered under the Act. Our Company changed its name to present name on 15 July 2015. Our Company was converted into a public limited company on 30 May 2025.

The principal activity of our Company is that of investment holding while our subsidiaries are principally involved in port operations in Malaysia. The principal activities of our subsidiaries are as set out in Section 6.3 of this Prospectus.

The table below outlines the history of our Group's formation:

Year	Event
2015	Through an acquisition and take-over offer by us, NCB Holdings became our 86.7%-owned subsidiary
2017	- We acquired a 70.0% interest in TBPSB 25-year operatorship of the PETRONAS Pengerang Integrated Complex's solid product jetty awarded to our subsidiary, SPT Services - We acquired a 49.0% interest in PPSB
2018	We acquired the remaining 51.0% interest in PPSB
2019	We acquired JPB from MMC Corp
2020	- We acquired PTPSB from MMC Corp - We incorporated APSB as a new wholly-owned subsidiary
2021	We acquired a 50.0% interest in Port Klang CT
2023	- NCB Holdings became our wholly-owned subsidiary following the completion of the selective capital reduction and repayment exercise by MMC Ports - We acquired Langkawi CT

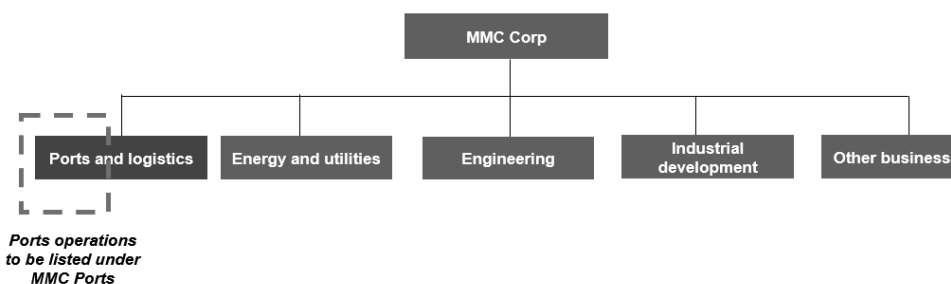
6.1.2 Privatisation of MMC Corp

MMC Corp, our Promoter and substantial shareholder, was previously listed on the Main Board of Kuala Lumpur Stock Exchange (now known as the Main Market of Bursa Securities) on 12 July 1977. MMC Corp Group is mainly involved in the following business divisions:

- (a) ports and logistics, whereby the port operations are managed by our Group;
- (b) energy and utilities, including power generation, water desalination, natural gas distribution, water solutions and environmental management;
- (c) engineering, including engineering and construction works for key civil and infrastructure projects in the country;
- (d) industrial development, including development projects in Senai Airport City, Iskandar Malaysia, Johor and Kulim, Kedah; and
- (e) other business, including the operator of Senai International Airport in Johor.

6. INFORMATION ON OUR GROUP (Cont'd)

An overview of the business divisions of MMC Corp is as follows:



On 3 June 2021, MMC Corp received an offer from Seaport Terminal (which is its substantial shareholder and is also our Promoter and our substantial shareholder) requesting MMC Corp to undertake the SCR. The SCR was completed on 3 December 2021, resulting in Seaport Terminal holding the entire equity interest in MMC Corp. MMC Corp was subsequently delisted on 16 December 2021.

The SCR involved a cash repayment of RM2.00 per ordinary shares in MMC Corp ("**MMC Corp Share**") to the entitled shareholders ("**SCR Offer Price**"), which translated to an illustrative market capitalisation of MMC Corp of RM6.1 billion based on the SCR Offer Price and 3,045,058,552 MMC Corp Shares in issue at the time of the SCR.

As disclosed in the circular to shareholders of MMC Corp dated 8 September 2021 in relation to the SCR ("**MMC Corp Circular**"), the SCR Offer Price represented:

- (a) premium of 73.6%, 80.3%, 87.9%, 94.3% and 104.8% over the five-day, one-month, three-month, six-month, nine-month and one-year volume weighted average price of MMC Corp Shares up to and including 2 June 2021, being the last trading day prior to the receipt of the SCR's offer from Seaport Terminal;
- (b) PER of approximately 16.2 times based on the audited consolidated net earnings per share of MMC Corp of RM0.12 for FYE 31 December 2020, being the latest publicly available audited financial statements of MMC Corp at the issuance of MMC Corp Circular; and
- (c) PBR of approximately 0.6 times based on the audited consolidated NA per MMC Corp Share as at 31 December 2020 of RM3.12.

Further, as stated in the independent advice circular dated 8 September 2021 in relation to the SCR, the port businesses at that time, comprising PTP, Northport, Johor Port, Penang Port and Tanjung Bruas Port, were valued at between RM5.3 billion and RM5.6 billion, taking into consideration MMC Corp's effective equity interest in these businesses. At the date of the said valuation, MMC Corp's effective equity interest in PTP, Northport, Johor Port, Penang Port, and Tanjung Bruas Port was 70.0%, 99.1%, 100.0%, 100.0%, and 70.0%, respectively.

MMC Corp was privatised for the following reasons:

- (a) the then investors appeared to be unable to accord MMC Corp with a valuation in line with its net assets as the then market price of MMC Corp Shares did not reflect the underlying value of its diversified business;
- (b) the SCR provided an opportunity for the then entitled shareholders to exit and realise their investments in MMC Corp at a premium over the then prevailing market price of MMC Corp Shares; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (c) the SCR provided greater flexibility to MMC Corp in managing and developing its businesses whilst exploring opportunities without regulatory restrictions and compliance costs associated with its listing status on Bursa Securities, as it considered to be suitable to improve the utilisation of resources, prospects and future growth of the MMC Corp Group in order to remain competitive. As a result, efforts can be concentrated to drive the future strategic direction of MMC Corp and create a more effective and efficient operating structure moving forward.

6.1.3 Key developments of our Group since the privatisation of MMC Corp

Since the privatisation of MMC Corp, our Group has undertaken initiatives to restructure and grow our business, leading to improvements in operation and financial performance.

(i) Key restructuring exercises of the MMC Ports Group's structure

Our Group has undertaken the following key restructuring exercises to streamline our Group's structure, aiming to optimise our operations, reduce complexities, and ensure a better focus on our core port business areas for improved performance and future growth.

The restructuring was undertaken for the purpose of establishing a clearer operating structure, focusing on the ports which are profitable business segments with growth potential. With the streamlined group structure, there is greater transparency regarding earnings, highlighting the true value of our port businesses without the financial obscurity due to low profitable or loss-making businesses or nascent business ventures that may distort the overall financial picture.

(a) Disposal of property development business

Previously, under the ports and logistics business division of MMC Corp, Seaport Worldwide was wholly-owned by MMC Ports' wholly-owned subsidiary, JPB. The principal activities of Seaport Worldwide are investment holding and property development, which are non-port-related activities. Seaport Worldwide was loss-making when we undertook the disposal of the property development business.

In April 2022, we through JPB completed the disposal of Seaport Worldwide to MMC Land Sdn Bhd, a wholly-owned subsidiary of MMC Corp.

(b) Acquisition of full ownership in NCB Holdings by MMC Ports

NCB Holdings was approximately 99.2% owned by us until we completed a selective capital reduction and repayment exercise pursuant to Section 116 of the Act in December 2023 ("**NCB SCR**") in December 2023. The NCB SCR involved a capital repayment to approximately 0.8% minority shareholders, resulting in NCB Holdings becoming our wholly-owned subsidiary.

(c) Disposal of logistics business

Previously, ports and logistics were part of the same business division under MMC Corp. However, the general logistics business operated in a highly competitive landscape and was not generating enough profits, which led our Company to decide on the disposal of the logistics arm to another entity under MMC Corp. By divesting the general logistics business, we can now focus entirely on our port operations, improving efficiencies and driving growth without the distraction of the underperforming logistics sector.

6. INFORMATION ON OUR GROUP (Cont'd)

In February 2024, we completed the disposal of the logistics arm, previously under the wholly-owned subsidiary of NCB Holdings, namely Kontena Nasional, to MMC Logistics Holdings Sdn Bhd, a wholly-owned subsidiary of MMC Corp.

(ii) Alignment of expiry of the concession periods of all ports to year 2055

Each of the port operating companies, namely PTPSB, JPB, NMB, PPSB and TBPSB, had entered into Privatisation Agreements with the Government and the relevant port authorities in regards to the business of the respective ports.

In the fourth quarter of 2022, our Group successfully extended the expiry of the concession periods of Johor Port, Northport, Penang Port and Tanjung Bruas Port to 23 March 2055, thereby harmonising their expiry dates with that of PTP as shown in the table below.

Expiry date of concession periods	Before extension	After extension
Johor Port	31 December 2052	23 March 2055
Northport	30 November 2043	23 March 2055
Penang Port	31 December 2041	23 March 2055
Tanjung Bruas Port	20 November 2046	23 March 2055

The harmonisation of the expiry of the concession periods to 23 March 2055, which extends the concession periods of the four ports, ensures access to a longer and more stable revenue stream, thereby strengthening our Group's financial outlook. This extended concession period also supports long-term planning and strategic initiatives, allowing our Group to invest in infrastructure and services that enhance operational efficiency and drive future growth of the ports. As a result, our Group benefits from greater cash flow certainty, which strengthens our ability to secure financing, attract investment, and ultimately increase the value of our port assets.

(iii) Key expansion initiatives of the ports

As a port operator, we focus on maintaining and increasing capacity and efficiency through regular maintenance and upgrading of our port infrastructure, equipment and system. From time to time, we also pursue new development projects within our port areas.

Across our ports, we are investing in new equipment, including RTGs and quay cranes, to enhance our handling capabilities, operation efficiency and reduce environmental impact. For instance, PTP has a fleet of electrified RTGs, demonstrating a commitment to sustainability and operational efficiency.

We have also been making investments in technology, such as the upgrading and enhancement of terminal operating systems, and implementation of group-wide enterprise resource planning systems (covering human resource, accounting and procurement functions), implementation of a vessel traffic management information system, a facilities supervisory control and data acquisition system including automatic meter reader for monitoring consumption data from various utility meters, and the use of CCTV and drones for port surveillance. These initiatives are designed to further enhance efficiency of our operations as well as safety and operational oversight across our ports.

Described below are the key expansion projects, upgrading/modernisation of equipment and digitalisation efforts at each of our ports since privatisation of MMC Corp in December 2021.

6. INFORMATION ON OUR GROUP (Cont'd)PTP

During the Financial Years Under Review, PTP carried out equipment replacement and additions for its crane units. PTP replaced seven quay cranes in FYE 31 December 2022 and three in FYE 31 December 2023. PTP also replaced 11 electrified RTGs in FYE 31 December 2022 and retired nine units of RTGs in 2024. Additionally, 25 electrified RTGs were added in FYE 31 December 2024, increasing the handling capacity of PTP by 0.7 million TEUs per annum, to accommodate the projected additional vessels. Total capital expenditure spent for the aforesaid equipment replacement and additions was approximately RM663.7 million, which was funded by internally generated funds from operations.

In the FYE 31 December 2022, PTP also completed expansion projects at three blocks in its container yard, resulting in the addition of 12,240 TEUs of storage capacity. The cost of this project was RM37.0 million, which was funded by internally generated funds from operations.

Additionally, PTP invested approximately RM8.1 million up to FYE 31 December 2024 in its terminal operating system and digitalisation solutions, which was funded entirely through internally generated funds from operations.

Johor Port

Johor Port's expansion projects since privatisation of MMC Corp in December 2021 were part of an expansion project that was implemented between FYE 31 December 2020 and FYE 31 December 2023. These aforesaid investments were primarily focused on expanding the port's container yard and acquiring additional handling equipment, including quay cranes, RTGs, and terminal tractors.

Johor Port completed yard expansions in FYE 31 December 2021 and acquired additional handling equipment such as quay cranes, RTGs, and terminal tractors between FYE 31 December 2020 and FYE 31 December 2023. Together, these projects increased Johor Port's container handling capacity from 1.2 million TEUs to 1.5 million TEUs per annum. The cost of these projects was approximately RM89.0 million, which was funded through internally generated funds from operations.

In the container yard expansion, 660 new ground slots were added across 2.0 hectares, increasing the port's total ground slots to 6,513. Additionally, 72 new power sockets were added in the reefer container yard, increasing the total to 216 power sockets. For wharf operations, one new quay crane was added to increase the port's total quay cranes to nine units. To bolster the wharf-to-yard transfer operations, 20 new terminal tractors were introduced, expanding the port's fleet to 62 units. Finally, four new RTGs were added, bringing the port's total to 30 RTGs as at the LPD.

In the FYE 31 December 2023, Johor Port further increased its storage capacity by merging several of its existing warehouses resulting to 104,000 sq. ft. of additional warehouse space. This increased the port's total warehouse space to 3.2 million sq. ft.. The cost of this project was RM14.0 million, which was funded through internally generated funds from operations.

6. INFORMATION ON OUR GROUP (Cont'd)

Northport

Northport's expansion projects since privatisation of MMC Corp in December 2021 have focused on container yard expansion and new equipment additions.

In the FYE 31 December 2023, Northport completed the expansion of container yard block "J", which increased container capacity from 5.0 million to 5.6 million TEUs per annum. During the year, 11 new electrified RTGs and 23 diesel RTGs were delivered to replace aging units and further increase capacity. The cost of these projects was RM347.8 million, which was funded through internally generated funds from operations.

In the FYE 31 December 2024, Northport completed the expansion of container yard block "K", which increased container capacity from 5.6 million to 6.2 million TEUs per annum. As part of the expansion, Northport is acquiring 12 new electrified RTGs through the end of the second quarter of 2025. The cost of these projects was RM189.8 million, which was funded through internally generated funds from operations.

Penang Port

Penang Port has upgraded and modernised terminals and introduced a new fleet of ferries. Penang Port launched four new combined-mode ferries, namely *Teluk Bahang*, *Teluk Kumbar*, *Teluk Kampi* and *Teluk Duyung*, which cater to both foot passengers and light vehicles such as motorcycles. These ferries began operations on 7 August 2023. The cost of these four new ferries amounted to RM69.0 million, with RM39.0 million funded through internally generated funds from operations and a RM30.0 million grant from the Government.

To facilitate these new ferry services, Penang Port undertook terminal modifications and upgrade at *Pangkalan Raja Tun Uda* and *Pangkalan Sultan Abdul Halim*. These modifications included upgrading terminal buildings, berths and amenities to ensure passengers comfort and the new ferries, as well as installing new ticketing machines, air-conditioned waiting area, free WIFI and CCTVs. The overall upgrading works were completed in the FYE 31 December 2023, with a total cost of RM29.2 million and funded through internally generated funds from operations.

Tanjung Bruas Port

At the end of the FYE 31 December 2021, Tanjung Bruas Port completed the extension of its 50-metre jetty at a cost of RM14.4 million funded through bank borrowings, increasing its capacity from handling of one to two vessels simultaneously.

In FYE 31 December 2022, Tanjung Bruas Port completed the development project of a new container yard. As a result, the port added 172 container ground slots for a total of 322 ground slots, which increased the yard storage capacity from 22,800 TEUs to 52,200 TEUs per annum. The cost of these projects was RM2.2 million, which was funded through internally generated funds from operations.

(iv) Increasing throughput volume

Our Group continues to make efforts to improve our operational efficiency, focusing on optimising processes and improving productivity. As a result, our Group has seen a steady increase in container handling throughput.

6. INFORMATION ON OUR GROUP (Cont'd)

Throughout the Financial Years Under Review, since the privatisation of MMC Corp in December 2021, our Group's container throughput volume has consistently grown as shown in the table below.

Container volume (million TEUs)	FYE 31 December		
	2022	2023	2024
PTP	10.5	10.5	12.3
Johor Port	0.9	0.9	1.1
Northport	3.2	3.2	3.7
Penang Port	1.3	1.4	1.4
Tanjung Bruas Port	< 0.1	< 0.1	< 0.1
All ports (Total)			
Export.....	2.2	2.3	2.5
Import.....	2.3	2.3	2.5
Transshipment	11.4	11.5	13.5
Total	15.9	16.1	18.5

Throughout the Financial Years Under Review, since the privatisation of MMC Corp in December 2021, the conventional throughput volume of Northport, Penang Port, and Tanjung Bruas Port has consistently grown, while Johor Port experienced a decrease in throughput volume as shown in the table below.

The decrease in Johor Port's total conventional throughput volume was mainly due to a lower throughput of liquid edible bulk cargo after the FYE 31 December 2022, with a reduction of approximately 18.0% in FYE 31 December 2024 compared to FYE 31 December 2022. This decline in throughput was largely driven by reduced palm oil volumes, which resulted from lower demand in major markets like India and China, along with increased competition from alternative soft oils. Additionally, palm oil exports were further hindered by concerns raised by the European Union regarding deforestation issues in the producing countries and political instability in the Middle East, which impacted export activities at the port. Notwithstanding that, Johor Port has still recorded an increasing trend in its dry bulk and break bulk cargoes in FYE 31 December 2024 compared to FYE 31 December 2022, with dry bulk cargo increasing from 4.0 million FWTs in FYE 31 December 2022 to 4.5 million FWTs in FYE 31 December 2024, and break bulk cargo increasing from 0.61 million FWTs to 0.62 million FWTs over the same period.

Conventional cargo volume (million FWTs)	FYE 31 December		
	2022	2023	2024
Johor Port	19.1	16.7	17.0
Northport	11.1	11.4	12.7
Penang Port	5.8	5.6	6.2
Tanjung Bruas Port	0.5	0.5	0.5
All ports (Total)			
Dry bulk	10.3	10.5	10.8
Liquid bulk	19.5	16.9	17.5
Break bulk	5.3	5.6	6.9
Roll-On/Roll-Off.....	1.4	1.3	1.3
Total	36.5	34.3	36.5

6. INFORMATION ON OUR GROUP (Cont'd)

(v) Increasing operational efficiencies through digitalisation

PTP, the major contributor to our Group's container revenue, has demonstrated consistent growth in both capacity and productivity throughout the Financial Years Under Review, since the privatisation of MMC Corp in December 2021. PTP's digitalisation journey was initiated at the end of 2021. PTP's technology infrastructure includes a fully integrated terminal operation system, supported by smart applications, a vessel traffic management system and a marine resource management system. Smart applications are used to optimise planning, visibility, and asset utilisation of twist locks, reefers, hatch clerks and lashings. In line with its digital transformation, PTP has implemented asset digitalisation which enables real-time virtual representations of port operations. This allows flexible optimisation, simulation and analysis operational performance.

PTP has also integrated to become one of the first ports in Malaysia to digitalise and to incorporate artificial intelligence and machine learning systems to support proactive management, optimises performance and data-driven decision-making to enhance operational efficiency. In 2022, PTP set its record by surpassing 1.0 million TEUs handled in a month. In 2024, PTP achieved another milestone record by exceeding 12.0 million TEUs handled in a year.

Through its digitalisation efforts, PTP's capacity has grown from 12.5 million TEUs for the FYE 31 December 2022 to 14.0 million TEUs as at the LPD. Productivity has improved from 25.1 moves per hour to 27.6 moves per hour. PTP has also achieved CAGR of 5.2% in revenue (excluding Construction Contract Revenue) from FYE 31 December 2022 to FYE 31 December 2024, while simultaneously reducing operating expenditure from 74.5% to 70.5% of total revenue (excluding Construction Contract Revenue).

These improvements further demonstrate our Group's ongoing efforts to enhance capacity and operational efficiency through digitalisation at our ports. As a result, our Group is better equipped to handle increasing cargo volumes more effectively, reduce turnaround times, and strengthen our competitive position in the port industry.

Building on the strong foundation established through PTP's success, our Group's port operations are better positioned for continued growth by capitalising on synergies across all our ports and implementing similar digitalisation strategies. Other ports within our Group are also leveraging a similar path to PTP to continue implementing various digitalisation efforts. The main efforts they have been continuing, amongst others, are as follows:

- (a) Johor Port implemented an enterprise resource planning system in February 2025 and is expected to complete the upgrade of its terminal operating systems by the fourth quarter of 2025;
- (b) Northport implemented an enterprise resource planning system in 2023 and is targeting to complete the upgrade of its terminal operating systems by the first quarter of 2026;
- (c) Penang Port is aiming to implement an enterprise resource planning system by the fourth quarter of 2025 and complete the upgrade of its terminal operating system by the fourth quarter of 2026; and
- (d) Tanjung Bruas Port implemented an enterprise resource planning system in February 2025 and plans to implement an automatic identification system for vessel monitoring by the second half 2025. It is also expected to implement a new integrated terminal operating system by the second half of 2026.

6. INFORMATION ON OUR GROUP (Cont'd)**(vi) Increasing financial performance**

The financial performance of our Group has shown an increasing trend. Please refer to Section 12 of this Prospectus for financial performance.

Furthermore, Maersk A/S (a wholly-owned subsidiary of A.P.Moller – Maersk A/S) has entered into a new cooperation arrangement with Hapag-Lloyd AG, known as the “Gemini Cooperation,” which took effect in February 2025. As two of the largest global shipping companies, their collaboration which focus is to improve schedule reliability is expected to drive growth, enhance operational efficiencies and increase throughput for ports that serve as key hubs in their network. PTP is poised to become one of the key hubs for the “Gemini Cooperation”, further reinforcing its position as a pivotal regional trade gateway. This development is anticipated to benefit our Group, with an expected positive shift in throughput volumes and revenues from Hapag-Lloyd AG, in addition to its ongoing customer relationship with companies affiliated with APM Terminals B.V. (a wholly-owned subsidiary of A.P.Moller – Maersk A/S), which holds a 30.0% stake in PTPSB (MMC Ports’ 70.0%-owned subsidiary) that operates PTP.

(vii) Expansion of the business of provision of port facilities and services for cruise ships

Our Group acquired the following to expand our business of providing port facilities and services for cruise ships.

(a) Acquisition of 50.0% equity interest in Port Klang CT

In September 2021, we, via our wholly-owned subsidiary, Klang Port Management, completed the acquisition of 50.0% ordinary equity interest in Port Klang CT from an external third party, Boustead Holdings Berhad, for a consideration of RM115.0 million.

Upon completion of the acquisition, Port Klang CT became our jointly-controlled entity, along with Westports Holdings Berhad. This acquisition enabled our Group to engage in the business of providing port facilities and services for berthing of cruise ships and handling of cruise passengers at the PKCT.

(b) Acquisition of Langkawi CT

In February 2023, we completed the acquisition of the entire ordinary equity interest in Langkawi CT from an external third party, Star Cruises Terminal Sdn Bhd, for a consideration of RM37.5 million.

Upon completion of the acquisition, Langkawi CT became our wholly-owned subsidiary. This acquisition enabled our Group to engage in the business of providing port facilities and services for berthing of cruise ships and handling of cruise passengers at the LCT.

(viii) Expansion of the business of provision of STS services

In April 2023, our wholly-owned subsidiary, APSB, carried out its maiden STS operation within Yan port limit, or also known as Yan STS Port, in Yan, Kedah. We are permitted to engage in STS activities at 10 coordinates within Yan STS Port with maximum depth of 30 metres, and had appointed APSB to carry out the STS activities. The approved STS activities include break bulk transfer for petrochemical products, emergency ship-to-ship and lightering (i.e., the transfer of cargo from a larger vessel to a smaller one).

6. INFORMATION ON OUR GROUP (Cont'd)

(ix) Sustainability initiatives

Our Group views sustainability as an essential part of our business strategy, and our Group has been committed to integrating sustainable practices throughout our Group. Our Group believes that adopting a responsible approach to the environment is important not only for the long-term viability of our Group but also for the welfare of our stakeholders. Our Group recognises the unique environmental challenges and responsibilities inherent in our industry and has been actively pursuing measures to reduce the environmental impact of our operations. Our Group has integrated certain environmentally sustainable principles and practices into the operations such as the integration of renewable energy across our facilities, etc.

Our Group is committed to achieving and sustaining a high standard of corporate governance. In the past, our Group under MMC Corp had implemented practices in line with the MCCG focusing on board leadership and effectiveness, effective audit and risk management, and integrity in corporate reporting, while fostering meaningful stakeholder relationships. Going forward, our Group will adopt the same practices to align with Malaysian and international standards of governance.

Our Group also prioritises the importance of nurturing relationships and fostering the development of our human capital, which includes both employees and other stakeholders. Our commitment extends to multiple dimensions of social contribution, covering areas such as privacy, community engagement, health and safety, and the pursuit of product and service excellence.

6.1.4 Assumptions considered in arriving at the illustrative market capitalisation upon Listing using the discounted cash flow method

As set out in Section 6.1.2 of this Prospectus, given that MMC Corp was previously privatised, we and our Promoter evaluated the illustrative market capitalisation of our Company in order to determine that it is timely to introduce our Company to the Malaysian equity market. It should be noted that, whereas the actual market capitalisation of our Company upon Listing will be determined solely through the IPO bookbuilding process, the illustrative market capitalisation was prepared for internal purposes only and arrived at using the discounted cash flow method. Our actual market capitalisation upon listing may differ significantly from the illustrative market capitalisation, and may not reflect all or any of the assumptions discussed below. The components and the underlying assumptions are provided to support understanding of the illustrative valuation, and should not be relied upon for any investment decision.

To illustrate the assumptions considered in arriving at the illustrative market capitalisation upon listing, we adopted the discounted cash flow method because such method considers the long-term development of the business in generating potential cash flows and earnings.

Under the discounted cash flow method, the estimated future free cash flow to the firm for the port businesses are discounted at an appropriate WACC to determine the indicative enterprise value of the businesses. The enterprise value reflects the overall value of a company's operations to all stakeholders, including equity and debt capital providers. The net debt and minority interests are then subtracted from the enterprise value to derive the illustrative market capitalisation upon listing.

The discounted cash flow valuation method considers both the time value of money and the future cash flows expected from our port businesses over the 30-year concession period, while also accounting for the potential continued use of the ports beyond that point. By discounting these future cash flows at a specified discount rate, the methodology incorporates the risk associated with generating such cash flows to arrive at their present value.

6. INFORMATION ON OUR GROUP (Cont'd)

The future financial information from 2025 to 2055 was forecast on a best-effort basis by our Group, after taking into consideration then-prevailing circumstances and significant factors, with the key bases and assumptions outlined below. **The discounted cash flow method projects future cash flows over a period of up to 30 years. With such a long horizon, the compounding effect significantly magnifies valuation swings, even with relatively small changes in key assumptions, including those related to cargo volumes, tariff growth, and operating costs. Accordingly, the model is inherently sensitive, and the derived outcomes from the model are therefore uncertain and subject to potentially significant deviations.** In contrast to the hypothetical market calculation derived using the discounted cash flow method, the IPO price will be determined through the IPO bookbuilding process, which takes into account investor demand, which in turn holistically reflects market conditions.

The key bases and assumptions of the future financial information from 2025 to 2055 were:

- (i) It was projected that our port businesses will sustain operations throughout the concession period and remain operational indefinitely.

In contrast to the valuation as disclosed in the independent advice circular dated 8 September 2021 in relation to the SCR, the assumption adopted was that the ports would operate only until the expiry of their respective concession periods, with no extensions assumed. Accordingly, no potential value beyond the concession periods were adopted. Moreover, at the time the SCR exercise was undertaken, the extended concession periods for the ports, which now align all ports to expire on 23 March 2055, had not yet been secured. Please refer to Section 6.1.5(ii) of this Prospectus for details on the ports' concession extensions.

- (ii) Inclusion of up to 15% increase in ports tariffs, applied every three years over the concession period. The rate of increase was a hypothetical benchmark that is within the range of historical tariff rate adjustments as set out in Section 7.7 of this Prospectus. The tariff increase will only take effect upon securing the necessary approvals from the relevant authorities. In addition, the projected volume growth and cargo type was consistent with Malaysian macro-economic fundamentals. As set out in the IMR Report, over the period from 2025 to 2029, Malaysia's GDP is expected to grow at a real CAGR of approximately 4.0%, with container throughput increasing at a CAGR of about 2.6%, and seaborne bulk trade at 4.4% CAGR.

These assumptions were not relevant to the SCR exercise undertaken in 2021. The 2021 SCR valuation reflected a privatisation context and was based on different assumptions, including discounts for illiquidity, minority shareholding, and prevailing macroeconomic uncertainty at the time, mainly due to the impact of the COVID-19 pandemic.

- (iii) There will not be any significant or material changes to the principal activities of the businesses.
- (iv) There will be no significant or material changes to the agreements, contracts, approvals, licenses, permits and regulations governing the businesses.
- (v) There will be no major disruptions or interruptions to the operations of the businesses, whether due to natural events or other unforeseen circumstances, which may have a material adverse effect on the financial results, cash flows or business prospects of the businesses.
- (vi) Operating costs were not expected to increase significantly or materially in a manner that would adversely affect the financial results, cash flows, or business prospects of our port businesses, other than the anticipated effects of standard

6. INFORMATION ON OUR GROUP (Cont'd)

inflationary pressures and total cost increases arising from increased business activity. Malaysia's projected average headline inflation rate is between 2.0% and 3.5% in 2025. (Sources: Bank Negara Malaysia, Economic Outlook 2025 issued by the Ministry of Finance Malaysia)

- (vii) Provisions for scheduled maintenance and enhancement capital expenditure were included in the projections to ensure sustainable capacity expansion, while planned expansionary capital expenditure was incorporated to accommodate anticipated growth. Please refer to Section 7.5.4 of this Prospectus for details of our expansion projects and plans from 2025 to 2029.
- (viii) Sufficient funding, at the borrowing costs consistent with those typically secured by the port operating companies, would be available to finance the working capital requirements and capital expenditure of the businesses without any material adverse effect on the financial results, cash flows or business prospects of the businesses.
- (ix) Sufficient funds would be available to finance the working capital requirements and capital expenditure of the businesses without any material adverse effect on the financial results, cash flows or business prospects of the businesses.
- (x) The current accounting policies adopted by our Group in respect of the businesses would remain relevant and there will not be any significant changes in the accounting policies of our Group which will have a material adverse effect on the financial performance and financial position of our Group.
- (xi) There will be no significant or material changes in political, social and economic conditions, monetary and fiscal policies, inflation and regulatory requirements of the ports and logistics industry in Malaysia and overseas.

The illustrative market capitalisation upon our Listing was derived based on the key bases and assumptions used in our valuation model as detailed below. **The discounted cash flow method projects future cash flows over a period of up to 30 years. With such a long horizon, the compounding effect significantly magnifies valuation swings, even with relatively small changes in key assumptions, including those related to cargo volumes, tariff growth, and operating costs. Accordingly, the model is inherently sensitive, and the derived outcomes from the model are therefore uncertain and subject to potentially significant deviations.** In essence, the primary contributors to our illustrative market capitalisation were the periodic adjustments in port tariffs, sustained operational growth throughout the concession period that is consistent with Malaysia's economic growth, as well as the terminal value arising from potential concession extensions, which supports the assumption that our port businesses will remain operational indefinitely.

(i) Free cash flow to the firm

Free cash flow to the firm is the excess cash generated from a company's core operations post accounting for all recurring operating expenses and re-investment expenditure, such as capital expenditure and working capital requirements. It excludes the cash outflows that pertain to debt providers, like interest expense payments and principal repayments. The free cash flow to the firm is discounted at an appropriate cost of capital which represents the required rate of return by the equity and debt providers of the company.

The future financial information of the port businesses from year 2025 to year 2055 has been forecasted on a best-effort basis, with a steady state free cash flow growth (refer to item (viii)) assumed thereafter to account for the potential future concession extensions. A 50.0% probability has been applied to the renewal of the port concessions upon expiry to reflect the inherent uncertainty in the absence of formal agreements or definitive indicators confirming renewal. While there may be historical precedent or strategic rationale supporting the

6. INFORMATION ON OUR GROUP (Cont'd)

possibility of extension, no binding commitments currently exist. Accordingly, the 50.0% probability represents a base-case scenario that avoids overstating future cash flows, while reasonably balancing the potential for extension with the risk of non-renewal. This approach aligns with standard practice in cases where outcomes are uncertain and depend on external factors such as regulatory approval and policy decisions.

For the purpose of deriving the steady state free cash flow, our port businesses were evaluated and classified as established ports with long operating history and steady income contribution from their operations.

(ii) WACC

WACC = 7.0% to 8.5%

WACC represents our cost of capital, with each component of capital (debt and equity) weighted proportionately, and reflects the return required by both debt and equity investors.

While WACC is primarily determined by the cost of debt and equity weighted by the capital structure, it is also influenced by underlying factors like borrowing costs of our port operating companies, the size of the asset base, and the stability of projected cash flows, which affect investor risk perception.

In arriving at WACC, the following formula was adopted:

$$\text{WACC} = (\text{equity \%} \times \text{Ke}) + ((\text{debt \%} \times \text{Kd}) \times (1 - \text{statutory corporate income tax rate}))$$

(iii) Cost of equity ("Ke")

Ke = 8.9% to 9.6%

Cost of equity represents the rate of return required by equity investors on the cash flow streams generated by our port businesses given the risk associated with the cash flows. In arriving at the cost of equity, we have adopted the Capital Asset Pricing Model (CAPM) based on the following formula: $\text{Ke} = \text{Rf} + \beta (\text{Rm} - \text{Rf})$.

The estimated cost of equity of the individual port operating companies, which lies within the Ke of the comparable companies (disclosed in item (vi)) is as follows:

- PTP: 9.6%
- Northport: 8.9%
- Johor Port: 8.9%
- Penang Port: 8.9%
- Tanjung Bruas Port: 8.9%

In contrast, the estimated cost of equity of the individual port operating companies that was adopted in the 2021 SCR exercise is as follows:

- PTP: 7.8%
- Northport: 7.1%
- Johor Port: 7.8%
- Penang Port: 9.7%
- Tanjung Bruas Port: 6.0%

(iv) Risk-free rate of return ("Rf")

Rf = 3.9%

The risk-free rate of return represents the expected rate of return from a risk-free investment. In the 2021 SCR exercise, the Rf adopted was 3.2%.

6. INFORMATION ON OUR GROUP (Cont'd)

The average of broker forecasts for the yield on 10-year Malaysian Government Securities was adopted, as it represents the closest available approximation of a risk-free investment.

(v) Expected market rate of return ("R_m")

R_m = 6.2%

The expected market rate of return represents the expected rate of return of investing in a portfolio consisting of a weighted sum of assets representing the entire equity market. In the 2021 SCR exercise, the R_m adopted was 9.4%.

The average of broker forecasts indicating a 6.2% expected market return for the Malaysian equity market was adopted, as this serves as a reasonable indicator of the equity market return in Malaysia.

(vi) Beta ("β")

β = 0.43 to 1.22

Beta is the sensitivity of an asset's return to the changes in market returns. It measures the correlation of systematic risk between the said asset and the market. A beta of more than one signifies that the asset is riskier than the market and a Beta of lower than one signifies that the asset is less risky as compared to the market. In the 2021 SCR exercise, the β adopted for the port businesses was within the range of 0.45 to 1.06.

In deriving the Beta for our port businesses, the average unlevered beta of the comparable companies was adopted. In arriving at the average unlevered beta, a simple average was derived based on the five-year weekly raw historical beta of the comparable companies and the raw beta unlevered for each comparable company based on their respective capital structure. Subsequently, beta was re-levered based on the target leverage ratio of the respective port operating companies. The assumed target leverage ratio (total debt / total assets) of 30.0% to 40.0% was based on forecast capital structure of the respective port operating company.

Comparable companies		Principal activities
Westports Berhad	Holdings	Port development and management of port operations
Adani Ports and Special Economic Zone Limited		Development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to port at Mundra, India
International Terminal Services, Inc	Container	Entered into various concessions of port operations which include development, management, and operation of container terminals and related facilities around the world
Gujarat Limited	Pipavav Port	Engaged in the construction, operation, and maintenance of port at Pipavav in Gujarat, India
Abu Dhabi Ports Company PJSC and its subsidiaries (AD Ports Group)	Ports	Operates an integrated ecosystem of ports, economic cities and free zones, maritime and shipping, logistics, and digital clusters
Marsa Maroc		Engaged in the management of port terminals and provides logistics services
Santos Brasil		Engaged in the provision of port services with integrated logistics offerings
Shanghai Port (Group) Co., Ltd ("SIPG")	International	Operator of public terminals in the Port of Shanghai. The main businesses of SIPG include port handling operation, integrated logistics service, port-related service and port investment business

6. INFORMATION ON OUR GROUP (Cont'd)

Comparable companies	Principal activities
China Merchants Port Holdings Company Limited	Investment holding company principally engaged in port-related business. The company is principally engaged in container terminal operations, bulk cargo terminal operations, logistics park operations, port transportation and airport cargo handling business
COSCO Shipping Ports Limited	Investment holding company principally engaged in the terminal businesses. The company is primarily engaged in the operation of terminals, the handling, transportation and storage of containers, the leasing, management and sales of containers, as well as other related businesses

(Sources: Annual reports of respective comparable companies)

Note:

The comparable companies are involved in similar activities as our port businesses. Although the comparable companies are involved in similar activities as the companies under our port businesses, they may not be directly comparable due to, among others, composition and geographical coverage of business activities, scale of operations, profit track record, financial strength, liquidity of shares, operating and financial leverage, asset base, accounting and taxation policies, risk profile, future prospects, management and capital structure. Nonetheless we view that the identified companies are reasonable to be adopted for the purpose of deriving the estimated beta of the ports segment.

(vii) Cost of debt ("Kd")

Kd = 4.0% to 5.0%

The cost of debt represents the rate of return required by lenders for providing debt financing.

The estimated cost of debt of the individual port companies is as follows, based on outstanding debt and cost of debt for new issuances:

- PTP: 4.0%
- Northport: 5.0%
- Johor Port: 5.0%
- Penang Port: 5.0%
- Tanjung Bruas Port: 5.0%

(viii) Growth rate ("g")

g = 2.0%

The steady state growth of free cash flow is assumed post 2055 with the growth rate of 2.0%.

In contrast, for the 2021 SCR exercise, different growth rates (as set out below) were applied to the individual port operating companies, as the future financial information used at that time covered only five years. The growth rates were then applied to the subsequent years over the remaining concession periods, as appropriate.

- PTP: 2.0% to 2.5%
- Northport: 1.0% to 1.5%
- Johor Port: 1.5% to 2.0%
- Penang Port: 2.0% to 2.5%
- Tanjung Bruas Port: 2.5% to 3.0%

The key assumptions driving the steady state growth rate of 2.0% are as follows:

- For all port businesses, the growth rate considers Malaysian macro-economic fundamentals, the periodic adjustments in the ports tariff, capacity for future volume growth and type of cargo volume.

6. INFORMATION ON OUR GROUP (Cont'd)

- PTP's growth rate is well supported by the existing partnership with shipping lines, its investment in equipment and infrastructure and its capability and operational efficiency to handle higher capacity of TEUs.
- For Northport, a steady growth rate is arrived at after taking into consideration the potential growth in annual TEU handled with the planned capital expenditure for terminal redevelopment.
- For Johor Port, a steady growth rate is arrived at after taking into consideration the dependency on Johor Port from a number of industry players and the economic activities in Johor to drive its future revenue.
- For Penang Port, a steady growth rate is arrived at after taking into consideration the increased cargo demand from growth of new industrial parks around the port and the expected increase in the throughput handling capacity of Penang Port with planned expansion capital expenditure.
- For Tanjung Bruas Port, a steady growth rate is arrived at after taking into consideration the expected increase in the port's throughput handling capacity upon completion of the port development plan.

The above growth rates are reasonable after taking into consideration the following:

- projected average headline inflation rate between 2.0% and 3.5% in 2025;
- five-year historical average inflation rate in Malaysia of 1.8%; and
- projected gross domestic product growth of between 4.5% and 5.5% in 2025.

(Sources: Bank Negara Malaysia, Economic Outlook 2025 issued by the Ministry of Finance Malaysia)

(ix) Contribution from other services

Notwithstanding that the discounted cash flow method takes into account of all our Group's sea ports which is anticipated to form the significant share of our Group's illustrative market capitalisation, there will also be contributions from other services within our Group which include the cruise terminal operations, ferry services and revenue pertaining to STS transfer services conducted at Yan STS Port.

(x) Statutory corporate income tax rate

The latest statutory corporate income tax rate applicable to the port businesses is 24.0% excluding any company specific adjustments and available tax allowances.

Please refer to the risk relating to our Shares and our Listing in Section 5.3 of this Prospectus.

6.1.5 Indicative main components to the illustrative market capitalisation upon Listing derived from the discounted cash flow method

Taking into consideration of the key developments of our Group since the privatisation of MMC Corp as set out in Section 6.1.3 and the assumptions considered in arriving at the illustrative market capitalisation upon Listing as set out in Section 6.1.4, we set out below the indicative main components to the illustrative market capitalisation upon Listing derived from the discounted cash flow method.

Each of the three components below added considerable weight, with one being the primary contributor and the others also forming substantial portions of the overall value.

6. INFORMATION ON OUR GROUP (Cont'd)

Notwithstanding that, the percentages expressed below were based on an estimated market capitalisation derived from the discounted cash flow method using a certain set assumptions and may differ significantly from the actual market capitalisation upon Listing, which will be determined solely through the IPO bookbuilding process.

(i) Primary component

The primary component represents the value ascribed to the port business over the concession period, excluding any value attributed to the extended period of the concession, and was expected to contribute approximately 50.0% to the illustrative market capitalisation upon Listing. Among the key assumptions underpinning the valuation are the following:

- (a) up to 15% increase in ports tariffs, applied every three years over the concession period. The rate of increase was a hypothetical benchmark that is within the range of historical tariff rate adjustments as set out in Section 7.7 of this Prospectus. The tariff increase will only take effect upon securing the necessary approvals from the relevant authorities; and
- (b) sustained growth in operations throughout the concession period that is consistent with Malaysia's economic growth, further supported by planned expansionary capital expenditure to increase capacity to accommodate anticipated growth. This is in addition to provisions for scheduled maintenance and enhancement capital expenditure.

These assumptions are applicable as of the present time and are made pursuant to recent engagement with relevant parties. They would not have been relevant to the SCR exercise undertaken in 2021. The SCR valuation in 2021 reflected a privatisation context and was determined by the offeror and its parties acting in concert. It incorporated specific adjustments and discounts to account for factors such as illiquidity, the minority shareholder position, and heightened macroeconomic uncertainty, including the impact of the COVID-19 pandemic prevailing at that time.

(ii) Component from the extended concession periods

This component represents the value ascribed to the extended concession periods and was expected to contribute approximately 25.0% to the illustrative market capitalisation upon Listing derived from the discounted cash flow method. The MMC Ports Group has successfully extended the expiry of the concession periods for all ports to 23 March 2055, harmonising the expiry dates of the concession periods for all five ports to the same day. This involved an extension to the expiry concession periods of Johor Port (extended: ~ 2 years), Northport (~12 years), Penang Port (~13 years) and Tanjung Bruas Port (~ 9 years), where the extended concession periods range between two years and up to 13 years, aligning them with PTP's expiry of the concession period of 23 March 2055.

The extension of the port concessions had not yet been undertaken at the time the SCR exercise was implemented.

(iii) Component from terminal value

This component represents the terminal value from April 2055 onwards to perpetuity and was expected to contribute approximately 25.0% to the illustrative market capitalisation upon Listing derived from the discounted cash flow method. A 50.0% probability was applied to the renewal of the port concessions upon expiry to reflect the inherent uncertainty in the absence of formal agreements or definitive indicators confirming renewal. While there may be historical precedent or strategic rationale supporting the possibility of extension, no binding commitments currently exist. Accordingly, the 50.0% probability represented a

6. INFORMATION ON OUR GROUP (Cont'd)

base-case scenario that avoids overstating future cash flows, while reasonably balancing the potential for extension with the risk of non-renewal, whether due to the absence of regulatory approval or changes in policy direction.

Port facilities are long-term, capital-intensive assets with the ability to generate cash flows well beyond their initial concession periods, due to their strategic locations and sustained demand. The inclusion of terminal value reflects the expected continued use of the ports beyond the explicit 30-year concession period and ensures the overall valuation captures their long-term economic potential.

Our Group has a proven track record of securing renewals and meeting regulatory and development obligations, supporting the expectation of future extensions. This history of operational continuity and value enhancement further justifies the inclusion of terminal value. The competitive edge, historical operational performance and future growth prospects of our sea ports are further elaborated in other sections of this Prospectus. Please refer to Section 7.2 for details of our competitive strengths, Section 7.5.2 for key operating data of our sea ports for the Financial Years Under Review up to the LPD, and Section 7.5.4 for details of our expansion projects and plans. MMC Ports had also on 24 January 2025 formally submitted a request to the Government for an additional 30-year extension of the ports' concession period, from March 2055 to March 2085, which is currently under consideration.

As disclosed in the independent advice circular dated 8 September 2021 in relation to the SCR, the valuation was based on the assumption that the ports would operate only until the expiry of their respective concession periods, with no extensions assumed. Accordingly, no terminal value was included. This conservative approach aligns with a privatisation scenario, focusing on contractually secured cash flows within the concession term and excluding any potential value beyond that period.

6.1.6 The listing of our Company

The privatisation of MMC Corp was undertaken for several key reasons. Amongst others, the market price of MMC Corp Shares at the time did not reflect the underlying value of its diversified business, making it difficult for investors to value the conglomerate. MMC Corp was eventually privatised in December 2021 at a total value of RM6.1 billion, of which its ports business was valued at between RM5.3 billion and RM5.6 billion as stated in the independent advice circular dated 8 September 2021 in relation to the SCR, taking into consideration MMC Corp's effective equity interest in these businesses. Additionally, the delisting provided MMC Corp with greater flexibility in managing and developing its businesses by removing regulatory restrictions and compliance costs associated with its listing. This strategic move was intended to improve resource utilisation, enhance growth prospects, and create a more effective and competitive operating structure for the future, particularly for its port businesses.

Based on the initiatives undertaken and key developments since the privatisation of MMC Corp in December 2021, we and our Promoter are of the view that it is timely to introduce our Company to the Malaysian equity market via an IPO, with an expected market capitalisation of approximately RM[●] billion based on the Retail Price. These key developments include restructuring efforts to streamline our Group's structure, optimise operations, and enhance focus on our Group's core port business areas, which will improve performance and drive future growth. Additionally, our Group has expanded our business of providing port facilities and services for cruise ships through PKCT and LCT, and as a port operator, our Group continues to focus on maintaining and increasing capacity and efficiency through regular maintenance and upgrades of port infrastructure, equipment, and systems. These efforts are designed to further enhance operational efficiency, safety, and oversight across our ports.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Group has also seen steady growth in container throughput, with the major contributor, PTP, showing consistent increases in both capacity and productivity. Further, the conventional throughput volume of Northport, Penang Port, and Tanjung Bruas Port have also consistently grown, while Johor Port experienced a decrease in throughput volume. Johor Port's overall conventional throughput declined mainly due to lower palm oil exports, but this was partly mitigated by modest growth in dry and break bulk cargoes, supported by stable demand and slightly improved cargo mix between FYE 31 December 2022 and FYE 31 December 2024, as explained in Section 6.1.3(iv) of this Prospectus. These improvements demonstrate our Group's ongoing efforts to enhance capacity and operational efficiency, enabling our Group to handle increasing volumes of containers and conventional cargo more effectively, reduce turnaround times, and strengthen our competitive position in the industry. Our Group's overall financial performance has also improved, driven by these initiatives. As a result, our Group is well-positioned for future growth and success.

Importantly, the introduction of our Group's port businesses—previously part of MMC Corp's diversified portfolio — into the Malaysian equity market via the IPO offers the general public and the investing community a unique opportunity to invest directly in and participate in the growth of our Group. The IPO will not only allow investors to capitalise on the future expansion of a focused port operator but will also provide our Group with greater financial flexibility to optimise our capital structure and reduce our cost of capital, thus enabling our Group to pursue additional growth opportunities with greater efficiency.

The business profile of our Group has undergone a major change since the privatisation of MMC Corp in December 2021. Our Group is fully separated from the broader, diversified operations of MMC Corp, and is now exclusively dedicated to port-related businesses. This shift from being part of a large conglomerate to becoming a pure-play port operator represents a critical change that aligns our Group's resources and strategic vision with the growth potential of the global port industry. By focusing solely on port operations, our Group is able to streamline our operations, drive efficiencies, and create a clearer path toward long-term value creation.

The transition to a standalone, port-focused entity has enhanced our Group's operational efficiency, sharpened its strategic direction, and strengthened its position as one of the leading port operators in the region. Previously, under MMC Corp (which was listed), a diversified conglomerate, capital allocation was spread across multiple sectors, limiting the ability to prioritise and optimise investments within the port business. As outlined in the MMC Corp Circular, the market was unable to assign MMC Corp a valuation reflective of its underlying net asset value, resulting in a persistent "conglomerate discount" that undervalued the port operations. Our Group is now positioned to pursue a focused investment strategy tailored to the specific requirements of the port industry. This allows for more effective capital deployment into key areas such as infrastructure development, capacity expansion, and the integration of advanced technologies. With a singular focus on port operations, our Group is better equipped to align its investments with strategic priorities, thereby enhancing operational capabilities and supporting long-term sustainable growth.

The IPO represents a natural and timely step offering both new investors and the broader market an opportunity to invest directly in our Group and participate in the growth of our Group. The clear focus on ports operations strengthens our competitive edge and enhances our long-term growth prospects.

Lastly, from a macroeconomic perspective, the timing of the IPO also aligns with Malaysia and the broader Southeast Asian ports' strategic location, which has benefitted from ongoing trade rerouting and supply chain realignments, driving greater reliance on the region. In addition, the increasing intra-Asia trade flows, spurred by regional economic growth and shifting manufacturing bases also serves as a catalyst for the IPO, further appealing to global institutional investors.

6. INFORMATION ON OUR GROUP (Cont'd)**6.1.7 Subdivision**

Our Company had on [●] undertook a subdivision of 3,560,000,000 existing Shares into 14,240,000,000 Shares, to enhance the liquidation of our Shares at the time of the Listing.

6.1.8 Share capital

Our issued share capital is RM3,560,000,000, comprising 3,560,000,000 Shares as at the date of this Prospectus. Our Company does not have any treasury shares as at the LPD.

Save as disclosed below, there has been no change in our issued share capital for the Financial Years Under Review and up to the LPD:

Date	No. of Shares	No. of RCPS	Nature of transaction	No. of cumulative shares	Cumulative issued share capital
					RM
31 December 2022	-	142,229,143	Allotment of RCPS to MMC Corp ⁽¹⁾	3,546,417,409 Shares and 1,065,346,798 RCPS	4,611,764,207
29 December 2023	-	1,065,346,798	Redemption	3,546,417,409 Shares	3,546,417,409
10 December 2024	13,582,591	-	Allotment to MMC Corp ⁽¹⁾	3,560,000,000 Shares	3,560,000,000
[●]	10,680,000,000	-	Allotment to MMC Corp ⁽²⁾	14,240,000,000 Shares	3,560,000,000

Notes:

(1) Allotted to MMC Corp to capitalise amount due to MMC Corp.

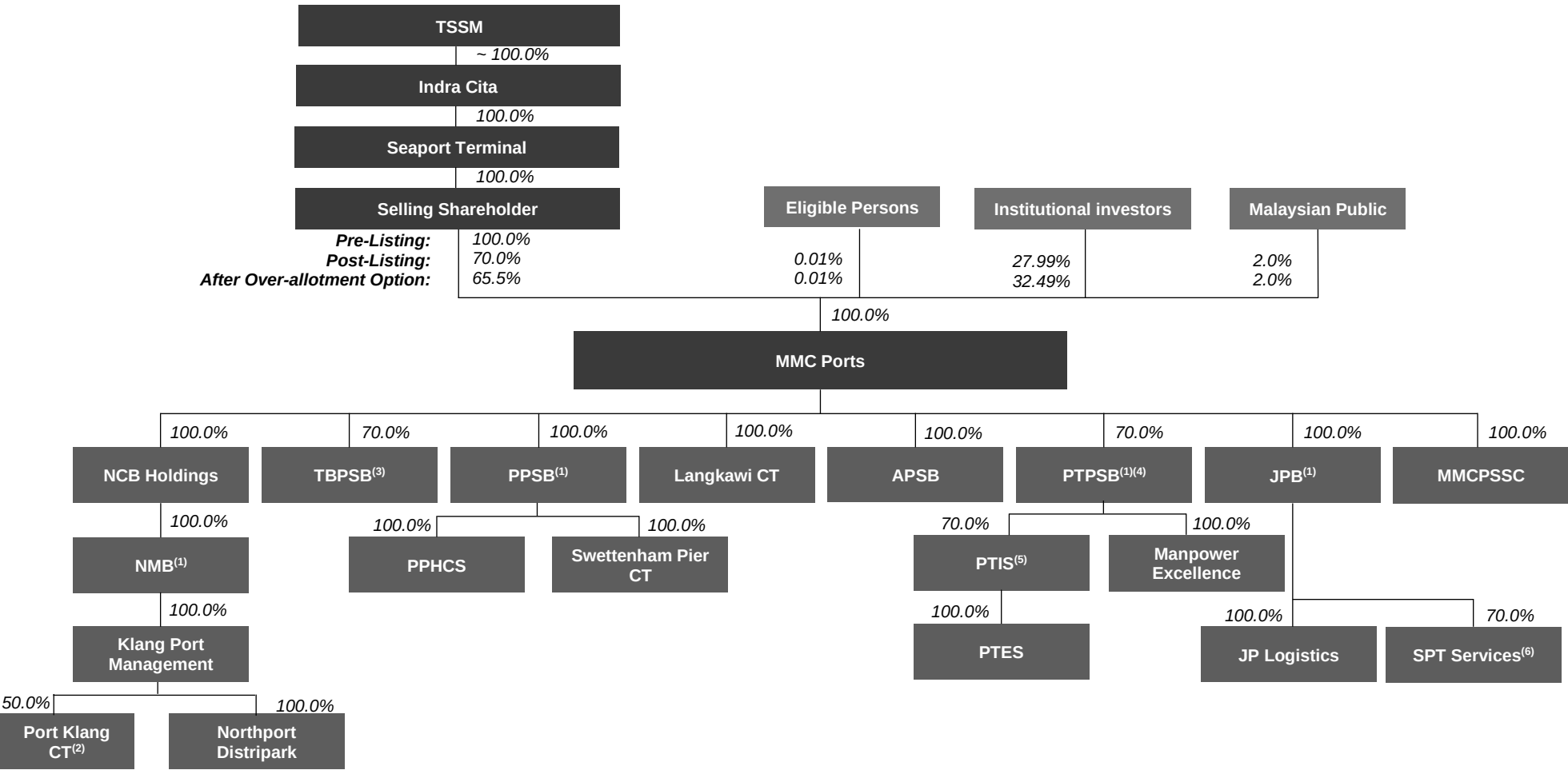
(2) Shares are allotted pursuant to the Subdivision, as set out in Section 6.1.7 of this Prospectus.

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6. INFORMATION ON OUR GROUP *(Cont'd)*

6.2 OUR GROUP STRUCTURE

Our group structure as at the LPD, and shareholding structure pre (as at the LPD) and post-listing, are as follows:



6. INFORMATION ON OUR GROUP (Cont'd)**Notes:**

- (1) *The MOF Inc. holds one special share in each of NMB, PPSB, PTPSB and JPB, respectively.*
- (2) *A jointly-controlled entity with the remaining 50.0% shareholdings in Port Klang CT held by Westports Holdings Berhad.*
- (3) *The remaining 30.0% shareholdings in TBPSB are held by Kumpulan Melaka Berhad (a wholly-owned subsidiary of Perbadanan Ketua Menteri Melaka).*
- (4) *The remaining 30.0% shareholdings in PTPSB are held by APM Terminals B.V. (a wholly-owned subsidiary of A.P.Moller – Maersk A/S, a company listed on the NASDAQ Copenhagen Exchange, Denmark).*
- (5) *The remaining 30.0% shareholdings in PTIS are held by Inland Services B.V. (a wholly-owned subsidiary of A.P.Moller – Maersk A/S, a company listed on the NASDAQ Copenhagen Exchange, Denmark).*
- (6) *The remaining 30.0% shareholdings in SPT Services are held by PRPC SPJ Sdn Bhd (51.0%-owned by PRPC Utilities and Facilities Sdn Bhd and 49.0%-owned by Perbadanan Setiausaha Kerajaan Johor. PRPC Utilities and Facilities Sdn Bhd is wholly-owned by Petronas Refinery and Petrochemical Corporation Sdn Bhd, which is a wholly-owned subsidiary of Petroliam Nasional Berhad (PETRONAS). Petroliam Nasional Berhad (PETRONAS) is 99.0%-owned by MOF Inc. and 1.0%-owned by Federal Lands Commissioner (Incorporated)).*

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3 OUR SUBSIDIARIES AND JOINT VENTURE**

Our subsidiaries and joint venture as at the LPD are as follows:

Name and registration number of the company	Date and country of incorporation	Share capital	Our effective equity interest	Principal activities
		RM	(%)	
Our subsidiaries:				
PTPSB 199401043031 (328719-K)	28 December 1994 (Malaysia)	728,989,158	70.0	Constructing, operating, maintaining and managing PTP together with the provision of port facilities and other related services under the terms of a license issued by the JPA
PTIS 200101002162 (537918-P)	29 January 2001 (Malaysia)	15,000,000	49.0	To repair, prepare and trade of containers and to deal in all kinds and descriptions of containers and containerisation systems and other related services
PTES 202401016628 (1562478-W)	29 April 2024 (Malaysia)	2	49.0	Engineering services company, providing erection, maintenance and dismantling of hoisting equipment which includes quay cranes, RTG, terminal, crane, operation crane and vessels crane
Manpower Excellence 202001009548 (1365868-M)	16 March 2020 (Malaysia)	3	70.0	Human resource services, recruitment, management of local and foreign workers and other related services
JPB 199201021890 (253394-D)	7 December 1992 (Malaysia)	390,112,393	100.0	Port and other port related activities, construction activities and any other related works
JP Logistics 199601040623 (412976-U)	9 December 1996 (Malaysia)	7,412,000	100.0	Provision of warehouse and office space, rendering cargo and container handling, freight forwarding, internal and external haulage services, container repairs and maintenance and yard operations
SPT Services 201701007856 (1222021-X)	13 March 2017 (Malaysia)	23,000,002	70.0	Operation, management and maintenance of a terminal and any business related thereto
NCB Holdings 199901000321 (475221-K)	8 January 1999 (Malaysia)	451,553,769	100.0	Investment holding and provision of management services to its subsidiaries
NMB 198501014394 (146850-A)	30 October 1985 (Malaysia)	343,789,300	100.0	Management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises, provision of transportation services and other ancillary services

6. INFORMATION ON OUR GROUP (Cont'd)

Name and registration number of the company	Date and country of incorporation	Share capital	Our effective equity interest	Principal activities
		RM	(%)	
Klang Port Management 199101014667 (224979-P)	14 September 1991 (Malaysia)	120,654,388	100.0	Management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises and other ancillary services. Klang Port Management has ceased operations in January 2024 and is presently dormant
Northport Distripark 199101011860 (222172-W)	1 August 1991 (Malaysia)	72,551,740	100.0	Management of a distribution centre with warehousing, storage and other associated facilities to support trading activities through Port Klang
PPSB 199301028806 (283544-D)	7 December 1993 (Malaysia)	73,450,003	100.0	Operating, maintaining, managing and the provision of port facilities and other related services
PPHCS 201701026142 (1240308-X)	26 July 2017 (Malaysia)	2	100.0	Provision of human resources services (dormant)
Swettenham Pier CT 201801025540 (1287560-P)	17 July 2018 (Malaysia)	10	100.0	Development, operation, management and maintenance of the SPCT. The Company has yet to start its operation since the date of incorporation and remains dormant as at the LPD
TBPSB 201301037101 (1066930-A)	21 October 2013 (Malaysia)	5,000,000	70.0	Port operations
MMCPSSC 202001021220 (1377540-T)	29 July 2020 (Malaysia)	4,070,332	100.0	Provision of shared services covering functions such as IT, procurement, human resources, finance, legal and its related activities
APSB 202001038676 (1394997-H)	26 November 2020 (Malaysia)	500,000	100.0	Develop, operate, manage, maintain and provide port facilities, activities and services
Langkawi CT 199501032019 (361225-A)	27 September 1995 (Malaysia)	45,000,002	100.0	Terminal operator
Joint venture by Klang Port Management:				
Port Klang CT 1977010001923 (32913-D)	16 May 1977 (Malaysia)	369,712,894	50.00	Port facilities and services to cruise and navy vessels

6. INFORMATION ON OUR GROUP (Cont'd)

We do not have any associate as at the LPD. The details of our subsidiaries and joint venture as at the LPD are as follows:

6.3.1 PTPSB

PTPSB was incorporated in Malaysia under the Act 1965 on 28 December 1994 as a private limited company under the name of Johor West Port Sdn Bhd and is deemed registered under the Act. It assumed its present name on 21 March 1995. PTPSB is principally involved in constructing, operating, maintaining and managing PTP together with the provision of port facilities and other related services under the terms of a license issued by the JPA. The principal place of business of PTPSB is at Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor.

The issued share capital of PTPSB is RM728,989,158 comprising 727,848,643 ordinary shares and one special rights redeemable preference share. There has been no change in the issued share capital of PTPSB during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of PTPSB and their respective shareholdings are as follows:

Shareholders	No. of shares	%
MMC Ports	509,494,049 ordinary shares	70.0
APM Terminals B.V.	218,354,594 ordinary shares	30.0
MOF Inc.	One special rights redeemable preference share	-

APM Terminals B.V. is a wholly-owned subsidiary of A.P.Moller–Maersk A/S. A.P.Moller – Maersk A/S is incorporated and domiciled in Denmark and is a publicly listed company on the NASDAQ Copenhagen Exchange. The company is an integrated logistics provider, working to connect and simplify its customers' supply chains. As a global leader in logistics services, the group serves over 100,000 customers, operates in nearly 130 countries, and employs more than 100,000 people.

The group operates three operating segments as below:

- (a) ocean, which involves global container shipping activities including strategic transshipment hubs;
- (b) logistics and services, which involves integrated transportation, fulfilment and management solutions, including landside and air transportation as well as warehousing and supply chain management offerings; and
- (c) terminals, which involves gateway terminal activities.

Shareholders' arrangement with APM Terminals B.V.

On 3 October 2016, APM Terminals B.V., MMC Corp and PTPSB agreed on an arrangement to collaborate and define their relationship concerning PTPSB's business and operations ("**PTPSB Shareholders' Arrangement**"). Following the completion of our acquisition of PTPSB from MMC Corp in July 2020, our Company became a party to the PTPSB Shareholders' Arrangement in July 2020 and is bound by the same terms and conditions of the original arrangement.

The PTPSB Shareholders' Arrangement sets out the agreed shareholding of PTPSB, i.e. that (i) our Company will hold approximately 70.0% equity interest; (ii) APM Terminals B.V. will hold 30.0% equity interest; and (iii) the MOF Inc. will hold one special

6. INFORMATION ON OUR GROUP (Cont'd)

rights redeemable preference share. Any change to this shareholding structure is subject to mutual agreement between the parties.

The PTPSB Shareholders' Arrangement remains in effect until it is terminated in writing between the parties or as provided under the arrangement. According to the PTPSB Shareholders' Arrangement, if any shareholder:

- (i) commits any material breach of its obligations and fails to remedy such breach within 30 days upon the service of notice complaining of such breach;
- (ii) goes into compulsory or voluntary liquidation (other than for purpose of reconstruction or amalgamation) or receivership;
- (iii) has an encumbrancer takes possession of a material part of its properties, assets or undertaking;
- (iv) ceases to carry on its business or disposes of a material part of its properties, assets or undertaking or such a part is seized or appropriated by or under the authority of any government; or
- (v) fails to make a capital contribution to PTPSB for any new development agreed upon between the parties,

then the defaulting party shall be deemed to have made an offer to sell its entire shareholding in PTPSB to the other party. In the event such disposal is not approved by the relevant authorities, an extraordinary general meeting shall be convened to place PTPSB in liquidation.

The PTPSB Shareholders' Arrangement also governs, among other things, the appointment and duties of PTPSB's board of directors and management, PTPSB's financial matters, and various operational aspects.

Special rights redeemable preference share

The terms of the special share per the Articles of Association of PTPSB are as follows:

- (i) the special rights redeemable preference share may be held only by, or transferred only to, the MOF or his successors or any minister, representative or any person acting on behalf of the Government;
- (ii) the special shareholder shall be entitled to nominate and appoint two representatives as non-executive directors of PTPSB who shall be entitled to receive notice of, and attend and speak at all meetings of the board but shall only be entitled to vote on matters that are considered to have national or security implications on Malaysia;
- (iii) the special shareholder shall be entitled to receive notice of, and to attend and speak at all general meetings or any other meeting of any class of shareholders of PTPSB, but the special rights redeemable preference share shall carry no right to vote or any other rights at any such meeting;
- (iv) in a distribution or winding up of PTPSB, the special shareholder shall be entitled to repayment of the capital paid up on the special rights redeemable preference share in priority to any repayment of capital to any other member. The special rights redeemable preference share shall confer no other right to participate in the capital or profits of PTPSB;
- (v) the special shareholder may, subject to the provisions of the Act, require PTPSB to redeem the special rights redeemable preference share at par for a

6. INFORMATION ON OUR GROUP (Cont'd)

price equal to RM1 at any time by serving written notice upon PTPSB and delivering the relevant share certificate; and

- (vi) each of the following matters shall be deemed to be a variation of the rights attaching to the special rights redeemable preference share and shall accordingly only be effective with the unanimous approval of the members and with the consent in writing of the special shareholder:
- (a) the amendment, removal, or alteration of the effect of the special rights redeemable preference share;
 - (b) a proposal for the voluntary winding-up or dissolution of PTPSB;
 - (c) any amendment to the Memorandum of Association or Articles of PTPSB affecting the rights of, or any other matters relating to, the special rights redeemable preference share;
 - (d) any disposal, conveyance, assignment or transfer of assets which, because of its size, is required by the Act or by the Bursa Securities or any other exchange on which PTPSB's shares are listed, to be subject to approval by PTPSB in general meeting;
 - (e) any acquisition, take-over, amalgamation, merger or change in the operations carried on by PTPSB, which because of its significance is required by the Act, or the Bursa Securities or any other exchange on which the shares of PTPSB are listed to be subject to approval by PTPSB in general meeting; and
 - (f) any other matters that are likely to materially or adversely affect the national interest or security.

As at the LPD, the direct subsidiary of PTPSB is PTIS and Manpower Excellence, PTPSB holds 70.0% equity interest in PTIS, details of which are set out in Sections 6.3.2 and 6.3.4 of this Prospectus. The indirect subsidiary of PTPSB is PTES, details of which are set out in Section 6.3.3 of this Prospectus. Save for the foregoing, PTPSB does not have any other subsidiaries or associates.

6.3.2 PTIS

PTIS was incorporated in Malaysia under the Act 1965 on 29 January 2001 as a private limited company under the name of Pelepas-Brigantine Container Services Sdn Bhd and is deemed registered under the Act. It assumed its present name on 13 February 2014. PTIS is principally involved in the repair, prepare and trade of containers and to deal in all kinds and descriptions of containers and containerisation systems and other related services. The principal place of business of PTIS is at Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor.

The issued share capital of PTIS is RM15,000,000 comprising 15,000,000 ordinary shares. There has been no change in the issued share capital of PTIS during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of PTIS and their respective shareholdings are as follows:

Shareholders	No. of shares	%
PTPSB	10,500,000 ordinary shares	70.0
Inland Services B.V.	4,500,000 ordinary shares	30.0

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, the direct subsidiary of PTIS is PTES, details of which are set out in Section 6.3.3 of this Prospectus. Save for the foregoing, PTIS does not have any other subsidiaries or associates.

6.3.3 PTES

PTES was incorporated in Malaysia under the Act on 29 April 2024 as a private limited company under its present name. PTES is principally engaged as an engineering services company, providing erection, maintenance and dismantling of hoisting equipment which includes quay cranes, RTG, terminal, crane, operation crane and vessels crane. The principal place of business of PTES is at Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor.

The issued share capital of PTES is RM2 comprising two ordinary shares. Save as disclosed below, there has been no change in the issued share capital of PTES during the Financial Years Under Review and up to the LPD:

Date of allotment	No. of shares	Consideration	Cumulative issued share capital (RM)
29 April 2024	Two ordinary shares	Cash	2

PTES is the wholly-owned subsidiary of PTIS, and PTIS is 70.0% owned-subsiary of PTPSB, which in turn is our 70.0%-owned subsidiary. As at the LPD, PTES does not have any subsidiaries or associates.

6.3.4 Manpower Excellence

Manpower Excellence was incorporated in Malaysia under the Act on 16 March 2020 as a private limited company under its present name. Manpower Excellence is principally involved in human resource services, recruitment, management of local and foreign workers and other related services. The principal place of business of Manpower Excellence is at Block A, Wisma PTP, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor.

The issued share capital of Manpower Excellence is RM3 comprising three ordinary shares. There has been no change in the issued share capital of Manpower Excellence during the Financial Years Under Review and up to the LPD.

Manpower Excellence is the wholly-owned subsidiary of PTPSB, which in turn is our 70.0%-owned subsidiary. As at the LPD, Manpower Excellence does not have any subsidiaries or associates.

6.3.5 JPB

JPB was incorporated in Malaysia under the Act 1965 on 7 December 1992 as a private limited company under the name of Johor Port Sdn Bhd and is deemed registered under the Act. It assumed its present name on 10 February 1996. JPB is principally involved in port and other port related activities, construction* activities and any other related works. The principal place of business of JPB is at L2.3, 1st Floor, Wisma Kontena, 81700 Pasir Gudang, Johor.

Note:

* The reference to "construction" primarily pertains to the improvements, expansions, or upgrades to existing port infrastructure.

The issued share capital of JPB is RM390,112,393 comprising 330,000,000 ordinary shares and one special rights redeemable preference share. There has been no change in the issued share capital of JPB during the Financial Years Under Review and up to the LPD.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, the shareholders of JPB and their respective shareholdings are as follows:

Shareholders	No. of shares	%
MMC Ports	330,000,000 ordinary shares	100.0
MOF Inc.	One special rights redeemable preference share	-

Special rights redeemable preference share

The terms of the special rights redeemable preference share per the Articles of Association of JPB are as follows:

- (i) the special rights redeemable preference share may be held only by or transferred only to the MOF Inc. or its successors or any minister, representative or any person acting on behalf of the Government;
- (ii) the special shareholder shall be entitled to nominate two representatives as non-executive directors of JPB hereinafter referred to as the Government appointed directors;
- (iii) the special shareholder shall be entitled to receive notice of, and to attend and speak at, all general meetings or any other meeting of any class of shareholders of JPB, but the special rights redeemable preference share shall carry no right to vote nor any other rights at any such meeting;
- (iv) the special shareholder may subject to the provisions of the Act, require JPB to redeem the special rights redeemable preference share at par at any time by serving written notice upon JPB and delivering the relevant share certificate;
- (v) each of the following matters shall be deemed to be a variation of the rights attaching to the special rights redeemable preference share and shall accordingly only be effective with the consent in writing of the holder:
 - (a) the amendment, or removal, or alteration of the effect of the definition of special rights redeemable preference share;
 - (b) a proposal for the voluntary winding up or dissolution of JPB;
 - (c) any amendment to the Memorandum or Articles of Association of JPB, affecting the rights of, or any matters relating to, the special rights redeemable preference share;
 - (d) any disposal, conveyance, assignment or transfer of assets which, because of its size, is required by the Act to be subject to approval by JPB in general meetings,
 - (e) any acquisition, take-over, amalgamation, merger or change in the operations carried on by JPB, which because of its significance is required by the Act to be subject to approval by JPB in general meetings; and any other matters which are likely to materially or adversely affect the national interest or security.

As at the LPD, the direct subsidiary of JPB is JP Logistics, details of which are set out in Section 6.3.6 of this Prospectus. JPB holds 70.0% equity interest in SPT Services, details of which are set out in Section 6.3.7 of this Prospectus. Save for the foregoing, JPB does not have any other subsidiaries or associates.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.6 JP Logistics**

JP Logistics was incorporated in Malaysia under the Act 1965 on 9 December 1996 as a private limited company under the name of Island Nation Sdn Bhd and is deemed registered under the Act. It assumed its present name on 3 February 1997. JP Logistics is principally involved in the provision of warehouse and office space, rendering cargo and container handling, freight forwarding, internal and external haulage services, container repairs and maintenance and yard operations. The principal place of business of JP Logistics is at Lot 119691, JPL 2, Jalan Cecair, Johor Port Free Zone, 81707 Pasir Gudang, Johor.

The issued share capital of JP Logistics is RM7,412,000 comprising 7,412,000 ordinary shares. There has been no change in the issued share capital of JP Logistics during the Financial Years Under Review and up to the LPD.

JP Logistics is the wholly-owned subsidiary of JPB, which in turn is a wholly-owned subsidiary of our Company. As at the LPD, JP Logistics does not have any subsidiaries or associates.

6.3.7 SPT Services

SPT Services was incorporated in Malaysia under the Act on 13 March 2017 as a private limited company under its present name. SPT Services is principally involved in the operation, management and maintenance of a terminal and any business related thereto. The principal place of business of SPT Services is located at Solid Product Jetty, Administration & Terminal Operation Building, Pengerang Integrated Complex (PIC), 81600 Pengerang, Johor.

The issued share capital of SPT Services is RM23,000,002 comprising 23,000,002 ordinary shares. There has been no change in the issued share capital of SPT Services during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of SPT Services and their respective shareholdings are as follows:

Shareholders	No. of shares	%
JPB	16,100,001 ordinary shares	70.0
PRPC SPJ Sdn Bhd	6,900,001 ordinary shares	30.0

As at the LPD, SPT Services does not have any subsidiaries or associates.

6.3.8 NCB Holdings

NCB Holdings was incorporated in Malaysia under the Act 1965 on 8 January 1999 as a public limited company under the name of Northport Integrated Holdings Bhd and is deemed registered under the Act. It changed its name to Northport Corporation Bhd on 7 May 1999 and assumed its present name on 29 October 2001. NCB Holdings is principally involved in investment holding and provision of management services to its subsidiaries. The principal place of business of NCB Holdings is at Jalan Pelabuhan, Pelabuhan Utara, Pelabuhan Klang, 42000, Selangor.

6. INFORMATION ON OUR GROUP (Cont'd)

The issued share capital of NCB Holdings is RM451,553,769 comprising 466,293,554 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of NCB Holdings during the Financial Years Under Review and up to the LPD:

<u>Date</u>	<u>No. of shares</u>	<u>Nature of transaction</u>	<u>Cumulative issued share capital (RM)</u>
28 December 2023	3,959,154 ordinary shares	Reduction of share capital by cancelling 3,959,154 ordinary shares in NCB Holdings pursuant to Section 117 of the Act	451,553,769

As at the LPD, NCB Holdings is our wholly-owned subsidiary. The direct subsidiary of NCB Holdings is NMB, details of which are set out in Section 6.3.9 of this Prospectus. The indirect subsidiaries of NCB Holdings are Klang Port Management and Northport Distripark, details of which are set out in Section 6.3.10 and Section 6.3.11 of this Prospectus. Save for the foregoing, NCB Holdings does not have any other subsidiaries or associates.

6.3.9 NMB

NMB was incorporated in Malaysia under the Act 1965 on 30 October 1985 as a private limited company under the name of Kelang Container Terminal Sdn Bhd and is deemed registered under the Act. It changed its name to Kelang Container Terminal Bhd on 19 July 1991, to Klang Container Bhd on 2 November 1998 and assumed its present name on 27 July 2001. NMB is principally involved in the management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises, provision of transportation services and other ancillary services. The principal place of business of NMB is at Northport located at Jalan Pelabuhan, Pelabuhan Utara, 42000 Pelabuhan Klang, Selangor.

The issued share capital of NMB is RM343,789,300 comprising 308,530,432 ordinary shares and one special share. There has been no change in the issued share capital of NMB during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of NMB and their respective shareholdings are as follows:

<u>Shareholders</u>	<u>No. of shares</u>	<u>%</u>
NCB Holdings	308,530,432	100
MOF Inc.	One special share	-

Special share

The terms of the special share per the Articles of Association of NMB are as follows:

- (i) the special share may be held only by or transferred only to the MOF Inc. or its successors or any minister, representative or any person acting on behalf of the Government;
- (ii) the special shareholder shall be entitled to nominate one director to be on the board of directors of NMB;
- (iii) the special shareholder or any person acting on behalf of the special shareholder shall be entitled to receive notice of and to attend and speak at all general meetings or any other meeting of any class of shareholders of NMB, but the special share shall carry no right to vote nor any other rights at any such meeting;

6. INFORMATION ON OUR GROUP (Cont'd)

- (iv) in a distribution of capital in the winding up of NMB, the special shareholders shall be entitled to repayment of the capital paid up on the special share in priority to any repayment of the capital to any other shareholder. The special share shall confer no other right to participate in the capital or profits of NMB;
- (v) the special shareholder may subject to the provisions of the Act require NMB to redeem the special share at par at any time by serving written notice upon NMB and delivering the relevant share certificate;
- (vi) each of the following matters shall be deemed to be a variation of the rights attaching to the special share and shall accordingly only be effective with the consent in writing of the special shareholder:
 - (a) the amendment, or removal, or alteration of the effect of all or any of the effect of all or any of the following Articles:

definitions of "special share" and "special shareholder" in Article 2 and Article 6B;
 - (b) a proposal for the voluntary winding-up or dissolution of NMB;
 - (c) the creation or issue of any shares with voting rights not identical to those of ordinary shares, and which when aggregated with all other such shares carry right to cast on a poll more than 10 percent of the total voting rights of all shareholders having the right to vote at general meetings of NMB;
 - (d) any disposal by any company in the group (which expression in this Article means NMB and its subsidiaries for the time being) which, alone or when aggregated with any other disposal or disposals forming part of, or connected with the same or a connected transaction, constitutes a disposal of the whole or a material part of the assets of the group. A part of the group's assets shall only be deemed to be material if:
 - (i) the aggregate book value of the assets disposed or the aggregate value of the total consideration to be received on its disposal is more than 20 percent of the book value of the group net tangible assets (excluding goodwill and other intangibles and after deducting loan capital, loan term borrowings, minority interest and amounts set aside for future taxation) represented by such shareholders' fund of the group;
 - (ii) the average profits attributable to it are more than 10 percent of the average profits of the group. For this purpose the expression "average profits" means the average of the profits before taxation excluding interest payable and similar charges and extraordinary items, for the last three financial years for which audited consolidated accounts of the group have been published, calculated by reference to the profit (or as the case may be) the average profits for the financial year or years for which audited consolidated accounts of the group have been prepared; and
 - (e) any proposals affecting the interest of the Government or the national interest.

As at the LPD, the direct subsidiary of NMB is Klang Port Management and Northport Distripark, details of which are set out in Sections 6.3.10 and 6.3.11 of this Prospectus. Save for the foregoing, NMB does not have any other subsidiaries or associates.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.10 Klang Port Management

Klang Port Management was incorporated in Malaysia under the Act 1965 on 14 September 1991 as a private limited company under the name of Kelang Port Management Sdn Bhd and is deemed registered under the Act. It assumed its present name on 10 December 1998. Klang Port Management is principally involved in the management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises and other ancillary services. Klang Port Management has ceased its operations in January 2024 and is presently dormant. The registered address of Klang Port Management is at Ground Floor, Wisma Budiman, Persiaran Jalan Raja Chulan, 50200 Kuala Lumpur.

The issued share capital of Klang Port Management is RM120,654,388 comprising 377,245,002 ordinary shares and 105,000,000 RCPS. Save as disclosed below, there has been no change in the issued share capital of Klang Port Management during the Financial Years Under Review and up to the LPD:

Date	No. of RCPS	Nature of transaction	Cumulative issued share capital (RM)	No. of outstanding RCPS
23 December 2024	10,000,000	Redemption	120,654,388	105,000,000

The RCPS is wholly-owned by NMB. The salient terms of the RCPS as set out in Klang Port Management's constitution are as follows:

Issue price : RM1.00

Issue date :	Date of allotment	Number of RCPS allotted
	19 March 2021	34,500,000
	23 September 2021	80,500,000

Note: 10,000,000 RCPS has been redeemed on 23 December 2024.

Tenure : The tenure of the RCPS shall be 20 years commencing from and inclusive of the RCPS issue date.

Dividend : Klang Port Management shall have the discretion to decide whether to declare any dividends to the holders of RCPS at a rate to be determined by the board of directors from time to time. Such right to dividend shall be non-cumulative, and shall rank ahead of any payment of dividend on the ordinary shares.

The right to receive dividends shall cease once the RCPS are redeemed or converted into the new ordinary shares in Klang Port Management at any time during the tenure of the RCPS (including where the RCPS are automatically be converted in accordance with the terms of the RCPS).

Conversion : Any outstanding RCPS which have not been redeemed or cancelled at maturity date shall be convertible into fully paid new ordinary shares at the conversion price.

Conversion price : The conversion of RCPS will not require any cash payment by the RCPS holder. The conversion price will be satisfied by surrendering one RCPS for one ordinary share at a conversion price which shall be equivalent to the issue price.

Voting rights : The holders of RCPS shall have the same rights as the holders of ordinary shares as regards receiving notices, reports and audited financial statements and attending general meetings of Klang Port Management and to receive shareholders' resolutions in writing, but shall not be entitled to vote or approve any shareholders' resolutions or

6. INFORMATION ON OUR GROUP (Cont'd)

vote at any general meeting of Klang Port Management, save and except in respect of any resolution made:

- i. on a proposal to reduce Klang Port Management's share capital;
- ii. on a proposal for the disposal of substantially the whole of Klang Port Management's property, business and undertaking;
- iii. on a proposal to wind-up Klang Port Management;
- iv. during the winding-up of Klang Port Management; or
- v. on any proposal that affects the rights and privileges attached to the RCPS.

As at the LPD, Klang Port Management is a wholly-owned subsidiary of NMB. NMB is a wholly-owned subsidiary of NCB Holdings which in turn is our wholly-owned subsidiary. The direct subsidiary of Klang Port Management is Northport Distripark, details of which are set out in Section 6.3.11 of this Prospectus. Klang Port Management holds 50.0% equity holdings in Port Klang CT, which is a joint venture by Klang Port Management and Westports Holdings Berhad, details of which are set out in Section 6.3.19 of this Prospectus. Save for the foregoing, Klang Port Management does not have any other subsidiaries or associates as at the LPD.

6.3.11 Northport Distripark

Northport Distripark was incorporated in Malaysia under the Act 1965 on 1 August 1991 as a private limited company under the name of LPK Distribution Park Sdn Bhd and is deemed registered under the Act. It changed its name to Port Kelang Distribution Park Sdn Bhd on 1 October 1991 and to Port Klang Distribution Park Sdn Bhd on 13 February 1993. It assumed its present name on 10 November 2001. Northport Distripark is principally involved in the management of a distribution centre with warehousing, storage and other associated facilities to support trading activities through Port Klang. The principal place of business of Northport Distripark is located at Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor.

The issued share capital of Northport Distripark is RM72,551,740 comprising 12,500,000 ordinary shares and 60,000,000 RCPS. Save as disclosed below, there has been no change in the issued share capital of Northport Distripark during the Financial Years Under Review and up to the LPD:

Date	No. of RCPS	Nature of transaction	Cumulative issued share capital (RM)	No. of outstanding RCPS
30 April 2024	47,000,000	Redemption	72,551,740	60,000,000

The RCPS is wholly-owned by NMB. The salient terms of the RCPS as set out in Northport Distripark's Memorandum and Articles of Association are as follows:

Issue price : RM1.00

Issue date :	<table border="1"> <tr> <th>Date of allotment</th><th>Number of RCPS allotted</th></tr> <tr> <td>31 July 2019</td><td>37,000,000</td></tr> <tr> <td>7 July 2020</td><td>70,000,000</td></tr> </table>	Date of allotment	Number of RCPS allotted	31 July 2019	37,000,000	7 July 2020	70,000,000
Date of allotment	Number of RCPS allotted						
31 July 2019	37,000,000						
7 July 2020	70,000,000						

Note: 47,000,000 RCPS has been redeemed on 30 April 2024.

Tenure : The tenure of the RCPS shall be 20 years commencing from and inclusive of the RCPS issue date.

Dividend : Northport Distripark shall have the discretion to decide whether to declare any dividends to the holders of RCPS at a rate to be determined by the board of directors from time to time. Such right to dividend shall be non-cumulative, and shall rank ahead of any payment of dividend on the ordinary shares.

6. INFORMATION ON OUR GROUP (Cont'd)

The right to receive dividends shall cease once the RCPS are redeemed or converted into the new ordinary shares in Northport Distripark at any time during the tenure of the RCPS (including where the RCPS are automatically be converted in accordance with the terms of the RCPS).

- Conversion : Any outstanding RCPS which have not been redeemed or cancelled at maturity date shall be convertible into fully paid new ordinary shares at the conversion price.
- Conversion mode : The conversion of RCPS will not require any cash payment by the RCPS holder. The conversion price will be satisfied by surrendering one RCPS for one ordinary share at a conversion price which shall be equivalent to the issue price.
- Voting rights : The RCPS holders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of Northport Distripark. However, prior to the conversion of the RCPS, the RCPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distributions in Northport Distripark unless the meeting is convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the principal undertakings or business(es) of Northport Distripark or where the proposition to be submitted to the meeting directly affects the rights of the holders of the RCPS.

Northport Distripark is the wholly-owned subsidiary of Klang Port Management, which in turn is a wholly-owned subsidiary of NMB. NMB is a wholly-owned subsidiary of NCB Holdings, which in turn is our wholly-owned subsidiary. As at the LPD, Northport Distripark does not have any subsidiaries or associates.

6.3.12 PPSB

PPSB was incorporated in Malaysia under the Act 1965 on 7 December 1993 as a private limited company under its present name and is deemed registered under the Act. PPSB is principally involved in operating, maintaining, managing and the provision of port facilities and other related services. The principal place of business of PPSB is at Operations, Performance & Engineering Building Container Yard, North Butterworth Container Terminal, H.S (D) 7942, PT 370, Seksyen 4, 12000 Butterworth, Pulau Pinang.

The issued share capital of PPSB is RM73,450,003 comprising 73,450,002 ordinary shares and one special rights redeemable preference share. There has been no change in the issued share capital of PPSB during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of PPSB and their respective shareholdings are as follows:

Shareholders	No. of shares	%
MMC Ports	73,450,002 ordinary shares	100.0
MOF Inc.	One special rights redeemable preference share	-

6. INFORMATION ON OUR GROUP (Cont'd)*Special rights redeemable preference share*

The terms of the special rights redeemable preference share per the Articles of Association of PPSB are as follows:

- (i) the special rights redeemable preference shares may be held only by or transferred only to the MOF Inc. or its successors, or any minister, representative or any person action on behalf of the Government. The special rights redeemable preference share is not convertible into ordinary share;
- (ii) the special shareholder may have the right from time to time to appoint any person to be an appointed director, hereinafter referred to as government appointed director, and there shall not be more than two government appointed directors at any time;
- (iii) the special shareholder or any person acting on behalf of the special shareholder shall be entitled to receive notice of and to attend and speak at all general meetings or any other meeting of any class of shareholders of PPSB, but the special rights redeemable preference share shall carry no right to vote nor any other rights at any such meeting;
- (iv) in a distribution of capital in the winding up of PPSB, the special shareholder shall be entitled to repayment of the capital paid up on the special rights redeemable preference share in priority to any repayment of capital to any other member. The special rights redeemable preference share shall confer no other right to participate in the capital or profits of PPSB;
- (v) the special shareholder may subject to the provisions of the Act, require PPSB to redeem the special rights redeemable preference share at par at any time by serving written notice upon PPSB and delivering the relevant share certificate;
- (vi) each of the following matters shall be deemed to be a variation of the rights attaching to the special rights redeemable preference share and shall accordingly only be effective with the consent in writing of the special shareholder:
 - (a) the amendment to the terms of, or removal of, or alteration to the terms of the special rights redeemable preference share and/or any rights of the special shareholder;
 - (b) proposal for the voluntary winding-up or dissolution of PPSB;
 - (c) any disposal which, because of its size, is required by the Bursa Securities or any other exchange on which PPSB's shares are listed to be subject to approval by PPSB in general meeting; and
 - (d) any acquisition, take-over by PPSB, amalgamation, merger, or change in the operations carried on by PPSB, which because of its significance is required by the Act. The Bursa Securities or any other exchange on which PPSB's shares are listed to be subject to approval by PPSB in general meeting.

As at the LPD, the direct subsidiaries of PPSB are PPHCS and Swettenham Pier CT, the details of which are set out in Section 6.3.13 and Section 6.3.14 of this Prospectus. Save for the foregoing, PPSB does not have any other subsidiaries or associates.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.13 PPHCS**

PPHCS was incorporated in Malaysia under the Act on 26 July 2017 as a private limited company under company under its present name. PPHCS is principally engaged in the provision of human resources services. It is currently dormant. The principal place of business of PPHCS is at Level 5, 5130 Terminal Penang Sentral, Jalan Bagan Dalam, 12100 Butterworth, Pulau Pinang.

The issued share capital of PPHCS is RM2 comprising two ordinary shares. There has been no change in the issued share capital of PPHCS during the Financial Years Under Review and up to the LPD.

PPHCS is the wholly-owned subsidiary of PPSB, which in turn is our wholly-owned subsidiary. As at the LPD, PPHCS does not have any subsidiaries or associates.

6.3.14 Swettenham Pier CT

Swettenham Pier CT was incorporated in Malaysia under the Act on 17 July 2018 as a private limited company under its present name. Swettenham Pier CT is principally involved in the development, operation, management and maintenance of the SPCT. Swettenham Pier CT has yet to start its operation since the date of incorporation and remains dormant as at the LPD. The principal place of business of Swettenham Pier CT is at Level 5, 5130 Terminal Penang Sentral, Jalan Bagan Dalam, 12100 Butterworth, Pulau Pinang.

The issued share capital of Swettenham Pier CT is RM10 comprising ten ordinary shares. There has been no change in the issued share capital of Swettenham Pier CT during the Financial Years Under Review and up to the LPD.

Swettenham Pier CT is the wholly-owned subsidiary of PPSB, which in turn is our wholly-owned subsidiary. As at the LPD, Swettenham Pier CT does not have any subsidiaries or associates.

6.3.15 TBPSB

TBPSB was incorporated in Malaysia under the Act 1965 on 21 October 2013 as a private limited company under the name of KMB Seaport Sdn Bhd and is deemed registered under the Act. It assumed its present name on 22 December 2017. TBPSB is principally involved in port operations. The principal place of business of TBPSB is at Pelabuhan Tanjung Bruas, Tanjung Kling, 76400 Melaka.

The issued share capital of TBPSB is RM5,000,000 comprising 5,000,000 ordinary shares. There has been no change in the issued share capital of TBPSB during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of TBPSB and their respective shareholdings are as follows:

Shareholders	No. of shares	%
MMC Ports	3,500,000 ordinary shares	70.0
Kumpulan Melaka Berhad	1,500,000 ordinary shares	30.0

As at the LPD, TBPSB does not have any subsidiaries or associates.

6. INFORMATION ON OUR GROUP (Cont'd)*Shareholders' arrangement with Kumpulan Melaka Berhad*

On 20 July 2016, Kumpulan Melaka Berhad and Seaport Management Services Sdn Bhd agreed on an arrangement to regulate their relationship concerning TBPSB's business and operations ("**TBPSB Shareholders' Arrangement**"). Following the completion of our acquisition of TBPSB from Seaport Management Services Sdn Bhd in October 2017, our Company became a party to the TBPSB Shareholders' Arrangement in October 2017 and is bound by the same terms and conditions of the original arrangement.

The TBPSB Shareholders' Arrangement sets out the agreed shareholding of TBPSB, i.e. that (i) our Company holds 70.0% equity interest; and (ii) Kumpulan Melaka Berhad holds 30.0% equity interest.

The TBPSB Shareholders' Arrangement also governs, among other things, the appointment and duties of TBPSB's board of directors, transfer of shares in TBPSB, and various operational aspects.

6.3.16 MMCPSSC

MMCPSSC was incorporated in Malaysia under the Act on 29 July 2020 as a private limited company under its present name. MMCPSSC is principally involved in the provision of shared services covering functions such as IT, procurement, human resources, finance, legal and its related activities. The principal place of business of MMCPSSC is at Ground Floor, Wisma Budiman, Persiaran Raja Chulan, 50200 Kuala Lumpur.

The issued share capital of MMCPSSC is RM4,070,332 comprising two ordinary shares and 4,070,330 RCPS. Save as disclosed below, there has been no change in the issued share capital of MMCPSSC during the Financial Years Under Review and up to the LPD:

Date of allotment	No. of shares	Consideration	Cumulative issued share capital (RM)
31 December 2022	4,070,330 RCPS	Cash	4,070,332

The RCPS is wholly-owned by MMC Ports. The salient terms of the RCPS as set out in MMCPSSC's constitution are as follows:

Issue price	:	RM1.00
Issue date	:	31 December 2022
Tenure	:	The tenure of the RCPS shall be 20 years commencing from and inclusive of the RCPS issue date.
Dividend	:	MMCPSSC shall have the discretion to decide whether to declare any dividends to the holders of RCPS at a rate to be determined by the board of directors from time to time. Such right to dividend shall be non-cumulative, and shall rank ahead of any payment of dividend on the ordinary shares. The right to receive dividends shall cease once the RCPS are redeemed or converted into the new ordinary shares in MMCPSSC at any time during the tenure of the RCPS (including where the RCPS are automatically be converted in accordance with the terms of the RCPS).
Conversion	:	Any outstanding RCPS which have not been redeemed or cancelled at maturity date shall be convertible into fully paid new ordinary shares at the conversion price.

6. INFORMATION ON OUR GROUP (Cont'd)

Conversion mode	:	The conversion of RCPS will not require any cash payment by the RCPS holder. The conversion price will be satisfied by surrendering one RCPS for one ordinary share at a conversion price which shall be equivalent to the issue price.
Voting rights	:	The RCPS holders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of MMCPSSC. However, prior to the conversion of the RCPS, the RCPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distributions in MMCPSSC unless the meeting is convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the principal undertakings or business(es) of MMCPSSC or where the proposition to be submitted to the meeting directly affects the rights of the holders of the RCPS.

MMCPSSC is our wholly-owned subsidiary. As at the LPD, MMCPSSC does not have any subsidiaries or associates.

6.3.17 APSB

APSB was incorporated in Malaysia under the Act on 26 November 2020 as a private limited company under its present name. APSB is principally engaged to develop, operate, manage, maintain and provide port facilities, activities and services. The principal place of business of APSB is located at Lot No.7, Persiaran Mahsuri, Taman Mahsuri, Sungai Limau Dalam, 06900 Yan, Kedah.

The issued share capital of APSB is RM500,000 comprising 500,000 ordinary shares. There has been no change in the issued share capital of APSB during the Financial Years Under Review and up to the LPD.

APSB is our wholly-owned subsidiary. As at the LPD, APSB does not have any subsidiaries or associates.

6.3.18 Langkawi CT

Langkawi CT was incorporated in Malaysia under the Act 1965 on 27 September 1995 as a private limited company under the name of Wanneroo Sdn Bhd and is deemed registered under the Act. It changed its name to Langkawi Cruise Centre Sdn Bhd on 15 February 1996 and assumed its present name on 17 August 2023. Langkawi CT is principally engaged as a terminal operator. The principal place of business of Langkawi CT is at Lot 1, Porto Malai, 07000 Langkawi, Kedah.

The issued share capital of Langkawi CT is RM45,000,002 comprising 45,000,002 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of Langkawi CT during the Financial Years Under Review and up to the LPD:

Date	No. of shares	Nature of transaction	Consideration (RM)	Cumulative issued share capital (RM)
27 March 2023	200 preference shares	Reduction of share capital by capital repayment of 200 preference shares in Langkawi CT	200	45,000,002

Langkawi CT is our wholly-owned subsidiary. As at the LPD, Langkawi CT does not have any subsidiaries or associates.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.19 Port Klang CT**

Port Klang CT was incorporated in Malaysia under the Act 1965 on 16 May 1977 as a private limited company under the name of Sri Benteng Sdn Berhad and is deemed registered under the Act. On 30 September 1980, it changed its name to Boustead Commodities Sdn Berhad and subsequently to Bestari Shipping Sdn Bhd on 8 November 1986. On 15 January 1987, it further changed its name to Bestari Marine Sdn Berhad and later to Boustead Cruise Centre Sdn Bhd on 22 December 2014. It assumed its present name on 29 November 2021. Port Klang CT is principally involved in port facilities and services to cruise and navy vessels. The principal place of business of Port Klang CT is at Level 4, Persiaran Pelabuhan Barat, Bandar Armada Putra, Pulau Indah, 42920 Pelabuhan Klang, Selangor.

The issued share capital of Port Klang CT is RM369,712,894.00 comprising 369,712,894 ordinary shares. There has been no change in the issued share capital of Port Klang CT during the Financial Years Under Review and up to the LPD.

As at the LPD, the shareholders of Port Klang CT and their respective shareholdings are as follows:

Shareholders	No. of shares	%
Westports Holdings Berhad	184,856,447 ordinary shares	50.0
Klang Port Management	184,856,447 ordinary shares	50.0

Westports Holdings Berhad is a public listed company listed on the Main Market of Bursa Securities. The company is principally involved in investment holding and the provision of management services to its subsidiaries. Its current key operating entity is Westports Malaysia Sdn Bhd, whereby its principal activities are port development and management of port operations.

The group is the operator of Westports located at Pulau Indah, Port Klang, which serves as the gateway for container and conventional cargo for central Peninsular Malaysia hinterland. The group primarily manages port operations dealing with container and conventional cargo. It also provides port services, including marine, rental and other ancillary services.

As at the LPD, Port Klang CT is a joint venture by Klang Port Management and Westports Holdings Berhad. Klang Port Management is the wholly-owned subsidiary of NMB, which in turn is the wholly-owned subsidiary of NCB Holdings, which in turn is our wholly-owned subsidiary. As at the LPD, Port Klang CT does not have any subsidiaries or associates.

As at the LPD, save as disclosed above, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital.

None of our Shares and share capital in our subsidiaries were issued and allotted at a discount or have any special terms or any instalment payment terms. Our issued shares and the issued shares of our subsidiaries are fully paid-up.

As at the LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

During the last financial year up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by our Company in respect of other companies' securities.

7. BUSINESS OVERVIEW

7.1 OVERVIEW

We are Malaysia's largest container port operator and the country's leading container hub for transshipment and gateway cargo, according to Drewry. We handle a wide range of container and conventional cargo and provide a balanced mix of transshipment and gateway services across our operations on the west coast of Peninsular Malaysia. We operate five sea ports and a solid product jetty terminal and conduct STS services at an offshore port. We provide marine services and operate free zones in the water limits and land around our ports. We also operate three cruise terminals.

Our five sea ports are PTP, Johor Port, Northport, Penang Port and Tanjung Bruas Port. Our ports provides a mix of container, conventional cargo, marine and other services that are tailored to their business and customers.

In aggregate, our ports registered 18.5 million TEUs of container throughput and 36.5 million FWTs of conventional throughput in FYE 31 December 2024. As at the LPD, we had a total of 92 berths for container and conventional cargo, with a combined length of 19,394.0 metres.

Our ports are strategically located in close proximity to the main shipping route along the Strait of Malacca, serving as important transshipment hubs in Southeast Asia. This location along one of the world's busiest shipping routes, combined with our diversified cargo handling capabilities, positions us as Southeast Asia's key gateway to global trade, with connectivity to Intra-Asia, Transpacific, and Asia-Europe routes. According to Drewry, Intra-Asia is one of the highest growth markets in terms of container shipping volumes, driven by the region's expanding middle class and the relocation of manufacturing centres to the region. We handle transshipment traffic from major global trade regions, including North America, Europe, the Middle East, the Far East, and Southeast Asia. The natural deep-water channel surrounding our ports allows us to handle containers for large local and international vessels with overall capacities of up to 24.0 million TEUs of container capacity and 51.4 million FWTs of conventional capacity at certain ports as at the LPD. Our ports are well-connected to Malaysia's internal domestic infrastructure, including major highways such as the North-South Expressway and the Federal Highway, and Malaysia's national railway network. This collective infrastructure provides connectivity for our ports throughout the country, including to key industrial zones and urban centres. Beyond domestic connectivity, our ports are strategically positioned to function as critical gateways linking Malaysia to neighbouring countries and regions, in particular Singapore served by Johor Port, and Southern Thailand served by Penang Port. As at the LPD, our ports collectively linked to 462 ports, had 5,490 vessel calls from various ships, and we received more than 224 weekly services from various shipping lines. Our STS services are carried out at Yan STS Port in Yan, Kedah, located approximately five nautical miles off the coast of Pulau Bunting. This facility enables cargo transfers from vessel to vessel at sea without the need to dock in-land.

We provide port facilities and services for cruise ships through our three cruise terminals, SPCT, PKCT and LCT. The three cruise terminals handled approximately 1.5 million passengers in 2024. In aggregate, our cruise terminals collectively registered a total of 5.0 million passengers and 3,187 vessel calls for the Financial Years Under Review and from 1 January 2025 to the LPD, collectively.

We have enhanced our operational efficiency through technology integration and automation initiatives, enabling us to deliver reliable and efficient services to our customers.

For the FYEs 31 December 2022, 2023 and 2024, we generated revenue of RM4,058.1 million, RM3,961.0 million and RM4,356.5 million, respectively, and PATAMI of RM471.8 million, RM701.1 million and RM636.6 million, respectively.

7. BUSINESS OVERVIEW (Cont'd)

7.2 COMPETITIVE STRENGTHS

We believe that we benefit from the following competitive strengths:

7.2.1 **Leading privately-owned port operating group (which is not government-linked) in Southeast Asia with capabilities to handle a wide range of cargo types with a balanced mix of transshipment and gateway services**

We were ranked 13th among the world's leading terminal operators[^] based on equity-adjusted throughput* in 2023, and fifth among the leading private terminal operators, according to Drewry. In Southeast Asia, we were ranked third based on equity-adjusted throughput in 2023. However, within Southeast Asia, we hold the first position among privately-owned operators which are not government-linked. Our network includes five major ports strategically located along the Strait of Malacca, with two among Southeast Asia's top seven largest ports, namely Northport and PTP, in terms of container throughput volume in 2024. In addition, we operate four of the top five largest Malaysian ports in terms of container throughput in 2024, according to Drewry. All of our five major port assets are under long-term concession until 2055, providing operational stability and visibility, with additional long-term growth prospects. According to Drewry, port operators are required to obtain a concession agreement from the Government, which is often a highly competitive process with concessions rarely being granted. Therefore, the limited availability of new concession agreements favours incumbent port operators, such as ourselves, and serves as a high barrier to entry.

Notes:

* Equity-adjusted throughput reflects the total container volume handled at terminals, adjusted according to an operator's equity stake in each facility, providing a more accurate measure of the volume attributable to the operator's ownership. It is calculated by multiplying the total throughput of each terminal by the percentage of the operator's equity stake.

[^] Terminal operators manage specific terminals within ports. Port operators oversee an entire port complex.

Our diversified portfolio demonstrates strong operational resilience through varied cargo handling capabilities including containers, break bulk, liquid bulk, dry bulk and RORO. Our broad cargo handling capabilities across different cargo segments has supported our revenue stability during the Financial Years Under Review. Our strong market position was further reinforced in 2024 when PTP, Northport and Johor Port all achieved record container throughput volumes, alongside Northport achieving record-high conventional throughput, in each case surpassing the port's previous record.

We maintain a mix of transshipment and gateway services, supporting both international trade and domestic demand. Our extensive network encompasses 462 port connections, had 5,490 vessel calls from various ships, and we received more than 224 weekly services from various shipping lines. Our transshipment traffic spans key global trade regions due to our connectivity to major global shipping routes, including Intra-Asia and Asia-Europe and Transpacific.

We offer flexible capacity, such as temporary storage, across our major ports to accommodate customers' ad-hoc requirements. Additionally, we provide customised pricing structures and value-added services, such as warehousing space across our ports to meet evolving customer requirements. Through investments in digitalisation and infrastructure enhancements, we are able to accommodate vessels ranging from feeder vessels to the largest container vessels. Our integrated port logistics system delivers comprehensive end-to-end solutions across our network. We offer a full suite of marine services including 24-hour pilotage, towing, and STS operations. Our container handling capabilities are complemented by extensive Free Zone benefits that include duty-free storage and simplified customs procedures.

The strategic integration of our five ports creates operational synergies, establishing an integrated port system that positions our Group as one of the key transshipment hubs for global trade and regional distribution hubs for Southeast Asia.

7. BUSINESS OVERVIEW (Cont'd)

Our portfolio of high-quality ports is listed below:

- PTP operates as a major global transshipment hub and is ranked as the 15th largest port globally based on throughput in 2024, according to Drewry, handling 12.3 million TEUs of container throughput in the FYE 31 December 2024. It is the fastest-growing terminal in the Southeast Asia region, according to Drewry, achieving container throughput CAGR of 4.1% from 2014 to 2024. PTP has achieved several significant milestones in recent years, which further solidifies its position as a key alternative port to Singapore. In 2022, PTP set its own record by surpassing 1.0 million TEUs handled in a month. In 2024, PTP achieved another milestone record for its own operations by exceeding 12.0 million TEUs handled in a year and also surpassed 1.2 million TEUs handled in a month in April 2025. Additionally, PTP's operational efficiency has gained international recognition, securing fifth place globally in the World Bank's Container Port Performance Index for 2023. According to Drewry, PTP's operational performance in terms of 2,431 TEUs per metre of quay and 232,770 TEUs per crane surpasses that of Westports and exceeds the global benchmark operational performance of 1,123 TEUs per metre of quay and 146,108 TEUs per crane.
- Northport operates as a strategic multi-purpose hub within Port Klang, processing both container cargo of 3.7 million TEUs and conventional cargo of 12.7 million FWTs for domestic and international trade in the FYE 31 December 2024. Northport's operational excellence is characterised by highly efficient berthing and cargo-handling processes, optimising vessel scheduling and turnaround times. According to Drewry, Port Klang was ranked as the 10th largest port globally based on throughput in 2024 and the eighth most connected port in the world. Northport was also one of the fastest growing ports in the region with a CAGR of 6.1% between 2019 and 2024.
- Johor Port possesses the world's largest palm oil terminal and among the world's largest single edible oil terminals, reinforcing its strategic importance in global edible oil trade, according to Drewry. Johor Port operates as a key gateway port to Malaysia, leveraging its proximity to Singapore, facilitating 1.1 million TEUs of container cargo and 17.0 million FWTs of conventional cargo in the FYE 31 December 2024.
- Penang Port serves as the primary maritime gateway for Kedah, Perlis, Penang and Perak in Northern Malaysia, handling 1.4 million TEUs of container cargo and 6.2 million FWTs of conventional cargo in the FYE 31 December 2024. Owing to its geographic proximity and efficient logistics connections, it also handles cross-border cargo flows from Southern Thailand, making it a key hub for regional trade integration, according to Drewry.
- Tanjung Bruas Port functions as the primary gateway port to Melaka, primarily servicing the local business communities in Melaka and the surrounding regions and handled 0.5 million FWTs of conventional cargo in the FYE 31 December 2024.

7.2.2 Strategically located along the Strait of Malacca, Southeast Asia's gateway to global trade driven by the fast-growing Malaysian economy

Our ports are strategically located along the Strait of Malacca. The Strait of Malacca stands out as the busiest shipping route in the world (for vessels exceeding 1,000 deadweight tonnes), serving as the primary maritime corridor linking Asia (including China) to Europe, according to Drewry. As a critical maritime passageway for global maritime trade, the Strait of Malacca connects the Andaman Sea to the South China Sea via Malaysia and Singapore which facilitates trade flows between North America, Europe, the Middle East, Far East, and Southeast Asia. Malaysia is one the most connected economies globally, with close proximity to major Asian markets.

7. BUSINESS OVERVIEW (Cont'd)

Through leveraging on the strategic positioning of assets, we benefit significantly from the high transshipment volumes that pass through the Strait of Malacca, with its key ports acting as crucial hubs for both regional and global trade, according to Drewry. In addition, lower tariffs that we are subject to position us favourably against regional competitors. In terms of maximum reported tariffs, our gateway tariffs are lower than those of Singapore and Tanjung Priok, and PTP's transshipment tariff is competitive with its key regional peers. Based on the terminal handling surcharges published by the shipping lines such as CMA CGM and ONE, MMC Ports' charges are about 40.0% to 50.0% less than the Port of Singapore, according to Drewry.

Malaysia's robust economic fundamentals further strengthen our market position and growth prospects. According to the IMF, the country's GDP is projected to expand at a CAGR of 6.1% to USD565.0 billion in 2029. According to Drewry, this is driven by rising domestic consumption, the government's strong focus on advancements in high-tech industries and increased foreign investment. Malaysia's ports, particularly our ports, are uniquely positioned to capitalise on both Intra-Asian growth and East-West trade flows, serving as key transshipment and gateway nodes, and rising investment interest will further aid in reinforcing Malaysia's ports' dual role, according to Drewry. Malaysia's conducive business environment has attracted over 5,000 foreign companies from 50 countries, with cumulative foreign direct investment reaching USD222.2 billion as of 2024. The strong economic foundation supports robust trade growth and increased commodity consumption. Furthermore, as our assets have strong regional trade exposure, especially Intra-Asia, this will act as a succour against external disruptions such as those created by U.S. tariffs, according to Drewry. Our diversification across trade lanes can also support greater resilience in volatile geopolitical environments, of which Intra-Asian trade has shown resilience amid the softening of demand globally. This strong internal trade network drives regional growth and further provides a buffer against external trade disruptions.

7.2.3 Integrated port ecosystem with excellent integrated connectivity to Malaysia infrastructure, hinterlands and industrial parks

Our five major ports serve as key regional and domestic distribution hubs, strategically interlinked with inland freight facilities and supported by major Malaysian hinterland networks and industrial parks. This integrated port logistics ecosystem enhances our value proposition for customers. According to Drewry, generally, a key success factor for a port is its location (its proximity to consumption and production centres and warehouses), being critical to its growth. With Malaysia's nominal GDP expected to grow at a CAGR of 6.1% between 2024 to 2029, according to the IMF, our excellent integrated connectivity to the hinterland and industrial parks are key differentiators that have supported our growth.

PTP

Located at the confluence of the major East-West trade lanes, PTP, having established itself as a premiere transshipment hub, offers connectivity to the hinterland via dual-carriage roads linking it to the Malaysia-Singapore Second Link and Malaysia's North-South Expressway. In addition to road, sea and air intermodal linkages, PTP is also connected to the railway network, which runs through Peninsular Malaysia from Southern Thailand. The rail depot at PTP provides direct access to Johor Port.

Integrated with PTP is the Pelepas Free Zone, which encompasses approximately 664.5 hectares across five phases and facilitates integrated commercial and industrial activities around PTP. Phases 1 and 2, covering 294.8 hectares, have been developed with essential infrastructure such as electricity, water, telecommunications, roads and drainage that are readily available for potential industrial companies. Over 90.0% of this land has been subleased to local and global companies for lease periods from 12 to 50 years through March 2055. PTP has attracted well known international customers, hosting their distribution centres around its vicinity, including one for a major multinational car manufacturer. The integrated port logistics ecosystem within the Pelepas Free Zone provides end-to-end supply chain solutions and seamless connectivity to Malaysia's industrial base. This has allowed PTP to extend its hinterland beyond Johor to include Singapore.

7. BUSINESS OVERVIEW (Cont'd)

Johor Port

Situated in the agricultural state of Johor, Malaysia's third-largest manufacturing state, Johor Port serves as a strategic gateway to major industrial areas within the state of Johor. The port serves a wide range of industries including palm oil, electronics, food, chemicals, and other commodities which provide stable cargo volume.

With a memorandum of understanding between Malaysia and Singapore signed on 11 January 2024, the Johor-Singapore Special Economic Zone is expected to further boost industrial activities and transport volumes. New transportation infrastructure projects, including the rapid transit system link connecting Johor Bahru in Malaysia to Woodlands in Singapore (RTS Link) and the widening of the Johor Bahru to Simpang Renggam Projek Lebuhraya Utara Selatan (or PLUS) highway, is expected to enhance Johor Port's connectivity to both the Johor region and the Johor-Singapore Special Economic Zone.

Northport

Northport features exceptional connectivity with direct access to over 13 industrial parks via road and rail networks. The port's location, just approximately 100 metres from the nearest highway, enables efficient travel within a 50 kilometres radius in approximately two hours. This robust multimodal connectivity supports cargo movement to and from key industrial zones and our other ports. The port's integration with the Federal Highway, North-South Expressway Central Link, Shah Alam Expressway, South Klang Valley Expressway, New Klang Valley Expressway, Federal Highway Route 2, Pulau Indah Expressway, and West Coast Expressway, also ensures efficient road transport access to major logistics hubs, manufacturing centres, and inland depots across Peninsular Malaysia. Additionally, the railway network connects Northport to domestic and cross-border rail freight services, enhancing Northport's connectivity with key hinterland areas. As part of our Group's port network, Northport leverages synergies with PTP, Johor Port, Penang Port and Tanjung Bruas Port enabling cargo redistribution, transshipment, and integrated logistics solutions. Looking ahead, the upcoming ECRL connection (targeted for 2027) is expected to further enhance Northport's accessibility to the East Coast Economic Region, strengthening its role as a key trade gateway.

Penang Port

Penang Port serves as a crucial gateway port. Located at the northern tip of the Strait of Malacca, it provides direct access to emerging markets in the Bay of Bengal and serves as a key gateway for Northern Malaysia, Southern Thailand, and the Indonesia-Malaysia-Thailand Growth Triangle, supported by efficient multimodal connections (road, rail and barge). Penang Port also serves as the primary maritime gateway for Kedah, Perlis, Penang and Perak in Northern Malaysia, handling local import and export cargo from the hinterlands. With its modern facilities and focus on operational efficiency, Penang Port has established itself as a vital maritime hub in Southeast Asia.

Tanjung Bruas Port

Tanjung Bruas Port is positioned as the main gateway port to Malacca. The port is located at the most central and narrowest part of the Strait of Malacca on the west coast of Peninsular Malaysia. It connects with over 500 companies in diversified industries in Malacca such as food processing, semiconductor, metal, solar panels, floated glass, garment and electrical and electronics sectors. The port is readily accessible, located approximately two hours from Kuala Lumpur, 1.5 hours from Kuala Lumpur International Airport, and three hours from Singapore by land. The port benefits from direct access to the major East-West Trade Lane and maintains a strong business connection with Dumai and Bengkalis in Indonesia.

7. BUSINESS OVERVIEW (Cont'd)

7.2.4 Track record of delivering operational efficiencies and financial profitability through modernisation, digitalisation and scale

We have demonstrated strong operational and financial performance across our port operations. Our robust top-line growth is reflected in our earnings before interest and taxation growth, which underscores our ability to scale while maintaining operating leverage. Between FYEs 31 December 2022 and 2024, we achieved steady growth with revenue increasing at a CAGR of 3.6%, and our profit before interest and tax increasing at a CAGR of 6.6%. Certain of our ports have undergone or are undergoing digital transformation initiatives to deploy an integrated enterprise resource planning system and terminal operating systems to improve operational efficiencies. We leverage our scale as a diversified ports group to achieve attractive pricing arrangements with our customers and suppliers. We have controlled our operating expense prudently and achieved economies of scale. For the FYEs 31 December 2022, 2023, 2024, we generated EBITDA of RM1,870.5 million, RM1,951.5 million and RM2,023.2 million, representing EBITDA margin (excluding Construction Contract Revenue) of 48.3%, 50.7% and 49.0%, respectively. For the FYEs 31 December 2022, 2023, 2024, we generated PATAMI of RM471.8 million, RM701.1 million and RM636.6 million, representing PATAMI margin (excluding Construction Contract Revenue) of 12.2%, 18.2%, and 15.4%, respectively.

Our operational excellence is driven by several key factors:

Continuous infrastructure and facility enhancements

We maintain and upgrade our port infrastructure to meet evolving industry demands and enhance operational efficiency. Our infrastructure investments are strategically focused on expanding capacity, improving productivity, and supporting emerging logistics needs. For the FYEs 31 December 2022, 2023, and 2024, our capital expenditures amounted RM892.9 million, RM770.1 million, RM1,216.0 million, respectively, and were primarily for the purchase of new equipment, upgrade of our port infrastructure, as well as capacity expansion. Please refer to Annexure C for the material plant and equipment of our Group. We are also developing specialised infrastructure to capture emerging opportunities, including the development of dedicated terminals and storage facilities for ammonia, hydrogen and liquified natural gas bunkering. Additionally, we are establishing comprehensive RORO facilities to accommodate rapidly increasing and diversified customer demand.

We are actively pursuing measures to reduce the environmental impact of our operations while enhancing our terminal infrastructure. For example, we have begun to deploy electrified RTGs in our ports in addition to traditional RTG.

Continued digitalisation efforts

We invest in our port infrastructure and modern technology solutions including terminal operating systems, vessel traffic management information systems, marine risk management systems, digital twins technology, and IoT applications, which we have deployed at some of our ports. These investments along with our strategic cooperation with a supply chain execution software provider adopted by global major port operators have enabled us to achieve operational excellence in terms of increasing throughput handled with existing equipment and port infrastructure.

For example, as part of digital transformation initiatives at PTP, we have implemented "Asset Digitalization" that connects IoT sensors across our equipment fleet (including quay cranes, RTGs, prime movers and supervisor vehicles) to enable real-time monitoring and operational visibility. This system provides real-time telemetric and global positioning system (GPS) tracking, predictive maintenance capabilities, and visual and artificial intelligence-driven alerts. PTP leverages collected data to generate actionable insights to enhance workforce efficiency, streamline daily operations and provide predictive analytics for yard planning, fleet management and overall operational optimisation. A collective number of initiatives have significantly transformed PTP's

7. BUSINESS OVERVIEW (Cont'd)

operations, achieving a minimal 45-minute deviation time for vessels, and productivity has improved from 25.1 moves per hour in the FYE 31 December 2022 to 27.6 moves per hour for the period of 1 January 2025 through the LPD. PTP also utilises technologies including augmented reality and virtual reality platforms for immersive safety training and simulations, enhancing safety protocols in critical areas such as fire safety, hand injury prevention and working at heights. PTP's "Data Lake and Analytics" platform enables real-time optimisation of key performance metrics including yard density, and equipment productivity. We intend to continue to implement these proven digitalisation initiatives across our port network to drive operational synergies.

According to Drewry, to secure higher volume, terminal operators must operate efficiently with minimum waiting time and no congestion, immediate access to berths and cranes and high productivity, apart from providing deep-water cranes to service the largest vessels. The ability of PTP to handle the largest container vessels works to its advantage as a transshipment hub, in addition to its partnership with APM Terminals B.V., which is affiliated with A.P.Moller – Maersk A/S, the second largest container shipping line. Our commitment to operational excellence was demonstrated by PTP's recognition as the fifth most efficient port globally and first in Southeast Asia, according to the World Bank's Container Port Performance Index for 2023. PTP has set multiple records for its own historical operations, including handling over 12.0 million TEUs annually, more than 15,000 quayside moves in a single 12-hour shift (achieved in April 2025), and processing 1.2 million TEUs in a single month without congestion (achieved in April 2025).

Through its operational efficiency initiatives, including digitalisation efforts, PTP's safe operating capacity has grown from 12.5 million TEUs for the FYE 31 December 2022 to 13.5 million TEUs as at the LPD, in addition to the productivity improvements mentioned above. PTP has also achieved CAGR of 5.2% in revenue (excluding Construction Contract Revenue) from FYE 31 December 2022 to FYE 31 December 2024, while simultaneously reducing operating expenditure (excluding Construction Contract Cost) from 74.5% to 70.5% of total revenue (excluding Construction Contract Revenue).

7.2.5 Entrenched blue-chip customer base of global shipping lines, with container cargo business anchored by connection to the Gemini Cooperation

We have built and maintained strong relationships with a "blue-chip" customer base of leading global shipping lines including Maersk, Evergreen, Wan Hai, MSC, CMA CGM and Interasia.

Maersk group's 30.0% indirect ownership in PTPSB, our subsidiary which operates PTP, through A.P.Moller – Maersk A/S, has strengthened our position in the industry over the years as we work with and leverage on the expertise of one of the world's largest shipping liners. Since carriers prefer to use terminals where they have equity ownership, according to Drewry, the terminal's affiliation to an alliance partner is important to ensure stickiness of transshipment volume, such as through the Gemini Cooperation, a long-term operational collaboration launched in February 2025 by Maersk A/S and Hapag-Lloyd. The Gemini Cooperation operates on a hub-and-spoke transshipment model, comprising 340 vessels, aggregating around 3.7 million TEUs, and covers 57 services including mainliner and dedicated shuttle services. The Gemini Cooperation operates approximately 22.0% of global container capacity, according to Drewry. With the new alliance arrangements, the deep-sea weekly loop calls at PTP increased from 21 in the third quarter of 2024 to 25 in the first quarter of 2025, according to Drewry. As a result of its new role as the Gemini Cooperation westbound hub port, PTP has reliable significant transshipment volumes from both Maersk A/S and Hapag-Lloyd, which would have previously been transported directly from the loading port to the destination port in Europe.

7. BUSINESS OVERVIEW (Cont'd)

PTP has more calls than any other Gemini Cooperation hub port, with seven deep-sea services routed via PTP to Europe, including one to North America and one to the Middle East, according to Drewry. According to Drewry, this indicates the critical role PTP plays within the Gemini Cooperation network. Consequently, according to Drewry, a higher proportion of containers on the Gemini Cooperation deep-sea loops are expected to be exchanged at PTP than was previously envisaged, which would result in larger volumes being discharged from and loaded on individual vessels. Since Gemini Cooperation vessel calling at PTP mainly transport cargo between Asia and Europe, they are expected to be relatively shielded from the impact of the U.S. tariffs, according to Drewry. Since the launch of the Gemini Cooperation, PTP's throughput has increased by 16.7% to 3.3 million TEUs in February to April 2025 compared to 2.85 million TEUs in the corresponding period in 2024.

7.2.6 Experienced management team with strong track record of port industry expertise

Our company is guided by an accomplished management team with proven expertise in the port industry. Led by Dato' Azman Shah bin Mohd Yusof, who serves as our Chief Executive Officer, our management team (see Section 9.3 for details) is equipped with extensive experience that spans global maritime and infrastructure operations, with particular depth in port operations, development, and management. Leveraging their industry relationships and expertise to guide our strategic growth, our management team has spearheaded digital transformation initiatives, transitioning us to an integrated enterprise resource planning system and terminal operating systems across our ports and drove operational improvements and economies of scale of our platform. Please refer to Sections 9.2 and 9.3 of this Prospectus for details of our Directors and key senior management.

Under the leadership of our management team, we have made investments to cultivate an engaged, productive and loyal workforce. We offer ongoing development programs and promote a positive working environment. We had launched multiple programs to enhance workers' productivities, including PTP's TVET and graduate development programs enabling career advancement and maintaining operational excellence. We are committed to occupational safety and have earned multiple accolades, including the Gold Class 1 award granted to PTP from the Malaysian Society for Occupational Safety and Health in 2023, as well as the Occupational Safety and Health Practitioner with Best Integrity granted to Northport from the Malaysian Institute of Integrity in 2024. We have achieved a 90.0% employee retention rate as at 31 March 2025 through structured career progression pathways and gender-equal opportunities, while engaging our workforce in sustainable initiatives that align with global standards. As at 31 December 2024, 42.5% of our senior management positions were filled through internal promotions, demonstrating our successful talent development strategy.

7.3 OUR FUTURE PLANS AND STRATEGIES

We aspire to extend our leadership as the largest container port operator in Malaysia and gain market share by capitalising on the Strait of Malacca's role as a vital node in trade between East Asia, the Middle East and Europe and leverage its geographical location as a strategic hub handling over 23.7% of global maritime trade and serving as a crucial link for trade between Asia, including China, and Europe. Our growth strategies focus on organic growth through capacity expansion, digitalisation and equipment enhancements, commercial optimisation and inorganic expansion through opportunistic investments. We have identified these strategic growth focus areas for their potential to accelerate our scale and produce synergies across our ports. Please refer to Section 7.5.4 of this Prospectus for details of our expansion projects and plans.

As a unified port platform, we believe that our future success will be driven by the following future plans and strategies.

7. BUSINESS OVERVIEW (Cont'd)

7.3.1 Organic growth through strategic capacity expansion

We continue to expand our container and conventional capacity to meet the growing needs within the Strait of Malacca. We target to expand our container handling maximum capacity from approximately 24.0 million TEUs in 2024 to 26.9 million TEUs in 2029, and our conventional handling maximum capacity from approximately 51.4 million FWTs in 2024 to approximately 66.1 million FWTs in 2029. This growth in capacity can enable us to continue to gain market share amidst the wave of manufacturing regionalisation and reshoring and global supply chain reorganisation.

According to Drewry, Intra-Asia is one of the highest growth markets in terms of container shipping volumes among the major trade lanes, accounting for 15.0% market share (in terms of TEU) of the global container shipping volume in 2023. As our assets are well-positioned amidst the major trade lanes such as Intra-Asia as well as Asia-Europe, we intend to capture the global and Southeast Asian uptrend in container throughput which Drewry forecasts to grow at a CAGR of 2.5% and 2.6%, respectively, between 2024 and 2029. Drewry also expects regional trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) to boost intra-regional and Intra-Asian trade to new heights, which will help counterbalance predictions of declining global trade volumes and provide further opportunities for port operators in the region to enhance their operations and connectivity.

Domestically, Malaysia has demonstrated remarkable resilience and delivered uninterrupted growth since 2014, in contrast with the broader Southeast Asia region which grappled with volatility, according to Drewry. Even in the post-pandemic era between 2020 and 2024, Malaysia reported a CAGR of 3.6% for container throughput, surpassing Southeast Asia's average of 3.2%, further underscoring its competitive edge. Drewry forecasts Malaysia's container throughput to continue growing at a CAGR of 2.6% between 2024 and 2029, driven by its strategic location, strong domestic consumption and robust Intra-Asian trade.

We intend to make timely investments into the physical expansion of our ports through developing previously undeveloped land and reclamation of land. Please refer to each "current major/key expansion plans" subsection under Section 7.5.4 of this Prospectus for details. From FYEs 31 December 2025 to 2029, our respective ports have various development plans in the works, such as (i) the addition of a new berth (Berth 0) and container yard in an undeveloped land bank in PTP and the expansion of the Pelepas Free Zone, (ii) ongoing expansion of Johor Port's liquid cargo handling capacity by way of the construction of additional berths and rehabilitation of jetty structures within existing liquid jetties, (iii) wharf extension and upgrading and land reclamation for yard expansion at Northport; (iv) the expansion of berth and container yard in Penang Port, and (v) reclamation of land in Tanjung Bruas Port. These plans seek to match the growth in our capacity with increasing vessel sizes and frequency of calls to our port to reduce congestion within our ports.

7.3.2 Digitalisation and technological transformation and equipment rehabilitation and modernisation to maximise operational efficiency

As a port operator, we continue to invest in the rehabilitation of our equipment and leverage on modernisation and digitalisation of our platform ports to implement consistent renewal initiatives to enhance our operational capacity and efficiency. Ongoing renewals include (i) the rehabilitation of liquid terminal jetties and wharfs, (ii) conveyor structures and system, (iii) quay cranes and level luffing cranes, (iv) reach stackers and empty stackers, (v) crane rails, (vi) diesel and electrified RTGs, (vii) prime movers with electrification and (viii) the digitalisation and automation of wharf gates and gate operations. These endeavours equip us to continue delivering reliable services and quick turnaround of vessels for our customers.

7. BUSINESS OVERVIEW (Cont'd)

In a dynamic and changing international port landscape, we recognise the limits of growing port capacity solely through land and facilities expansions and the need to continue improving port efficiency. Hence, we have established strategic cooperations with supply chain execution software service providers to develop port digitalisation solutions to optimise operational efficiency and maintain our track record of delivering operational efficiencies through modernisation and digitalisation of our ports. We intend to continue to implement these proven digitalisation initiatives at PTP across our port network to drive operational synergies. Please refer to each “current major/key expansion plans” subsection under Section 7.5.4, as well as Section 7.9 of this Prospectus for details.

7.3.3 Increase profitability by focusing on high margin cargo segments and services and cost management

We aim to increase cargo handling volume in segments that generate higher margins. For example, at Penang Port, we intend to focus on the dry and liquid bulk segments that generate greater revenue and margins, and we plan to engage directly with shippers and end users to source additional customers and cargo. We also intend to offer value-added services, such as storage and bulk handling to add and diversify revenue streams and to further entrench existing customers.

We are also optimising our land and warehouse spaces resources to ensure that we have sufficient rental capacity to meet demand. We are also optimising our storage rental spaces by encouraging long-term tenancies to strengthen our bargaining and pricing power, all while maintaining strict cost control measures. Moreover, we intend to leverage our ecosystem of integrated ports to share learnings, best practices and effective strategies across different ports to foster holistic synergies and enhance our operations.

7.3.4 Inorganic expansion – scaling through strategic endeavours and partnership

Besides growing our ports organically, we are also seeking opportunities to strengthen our platform and expand our capacity through the acquisition of port assets strategically situated in trade corridors that are projected to attract increasing shipping volumes. In our evaluation we assess the potential for the realisation of synergistic benefits with our existing port platform and ability to integrate with other port assets through multimodal connectivity. We seek to expand our capacity through the formation of joint venture partnerships. Through these potential partnerships, we also aim to be Malaysia's pioneer in adoption of new technologies to further modernise and digitise our port operations and unlock further port operational efficiencies. As at the LPD, we have not identified any new or additional acquisition, joint venture or partnership targets.

7.4 HISTORY, KEY MILESTONES AND AWARDS

The following table summarises the key milestones in the history of our business.

Year	Event
2015	Through an acquisition and take-over offer by us, NCB Holdings became our 86.7%-owned subsidiary
2017	- We acquired a 70.0% interest in TBPSB 25-year operatorship of the PETRONAS Pengerang Integrated Complex's solid product jetty awarded to our subsidiary, SPT Services - We acquired a 49.0% interest in PPSB
2018	We acquired the remaining 51.0% interest in PPSB
2019	We acquired JPB from MMC Corp
2020	- We acquired PTPSB from MMC Corp - We incorporated APSB as a new wholly-owned subsidiary
2021	We acquired a 50.0% interest in Port Klang CT
2023	- NCB Holdings became our wholly-owned subsidiary following the completion of the selective capital reduction and repayment exercise by MMC Ports - We acquired Langkawi CT

7. BUSINESS OVERVIEW (Cont'd)

The following table summarises the notable awards that our ports have received.

Year	Award
2022	- Northport received the IAPH 2022 Sustainability Award, under the Health, Safety and Security category at the IAPH 2022 World Ports Conference held in Vancouver, Canada. - Northport received three awards during the National Occupational Safety and Health Awards 2020/2021, namely the CEO of the Year (Private Sector) award, Business Services award and Mentor-Mentee (Mentor) award. - Johor Port received the Best TVET Training Provider (Ports & Logistics) Award at the Malaysian Education & TVET Awards 2022. - PPSB was awarded with GPAS 2022 by the APSN. - PPSB received a recognition award from Penang Development Corporation as one of the stakeholders involved in the port and logistics industries which plays a significant role in driving the development of Penang state economy. - PTP was named the Procurement Team of the Year (Small Organisation) by the CIPS at the Asia Excellence in Procurement Awards 2022. - PTP received the Terminal Operations Optimization Award at the Inspire Awards in Navis World 2022, San Francisco, United States.
2023	- Northport received the Premier Award (Key Point II category) for commendable security governance system among Malaysia's critical infrastructure installations at the Ministry of Home Affairs' 2023 Critical Target Star Rating Awards. - Northport received the International Safety Awards 2023 – Merit from the British Safety Council. - Northport received the Gold Award at the AIGA 2022 from the Malaysian Institute of Integrity. - Johor Port received the Gold Award in the Integrity, Governance and Anti-Corruption Awards 2022 from the Malaysian Institute of Integrity. - PPSB was awarded with third place in the category of employers with 1,000 to 4,999 employees during the Best Employers 2023 Ceremony by Employer Provident Fund, Seberang Jaya Branch. - PPSB was awarded with Gold Class 1 for Malaysian Society for Occupational Safety and Health Operational Safety and Health Award 2023. - PPSB was certified with ISO 37001:2016 Anti-Bribery Management System. - PTP was named the Best in Administration for Transshipment Terminal by the Malaysian Anti-Corruption Commission at the Konvensyen Integriti, Tadbir Urus dan Antirasuah 2023. - PTP received dual recognitions for Excellence in Graduate Development for Future Worker and Excellence in TVET at the Human Resource Development Corporation Awards 2023. - PTP recognised as the Winner of the Forward Faster Sustainability Award for Gender Equality and earned the Partnership for the Goals Recognition and Pioneer Sustainable Development Action Recognition from the UNGCMYB Forward Faster Sustainability Awards 2023. - PTP was recognised once again as the Procurement Team of the Year (Small Organisation) with a turnover of under £500 million by the CIPS at the Asia Excellence in Procurement Awards 2023.
2024	- PTP received the Anugerah Kecemerlangan Industri 2024 for Services Sector in Category Four from MITI. - PTP was named Supply Chain Innovator of the Year for Digital Transformation at the Supply Chain Awards 2024 from Supply Chain Asia. - PTP recognised as Leader of the Year by the CIPS at the Asia Excellence in Procurement Awards 2024. - PTP received the Business Excellence Awards 2024 as the Winner of the Outstanding ESG Category from the British Malaysian Chamber of Commerce. - PTP once again earned the Partnership for the Goals Recognition and Pioneer Sustainable Development Action Recognition from the UNGCMYB Forward Faster Sustainability Awards 2024. - PTP received the Distinguished Gold Award at Lembaga Pelabuhan Johor Sustainability Awards 2024.

7. BUSINESS OVERVIEW (Cont'd)

Year	Award
	- Johor Port received the Best Employer Award 2024 from KWSP Johor. - Johor Port received the Asia Best Employer Brand Awards 2024 from the World HRD Congress. - Johor Port received the Bulk Commodities Port/Terminal of the Year Award from the Global Port Forum. - Northport received the "Occupational Safety and Health Practitioner with Best Integrity" Special Award and Gold Award at the AIGA 2023 from the Malaysian Institute of Integrity. - Northport received the International Safety Awards 2024 – Merit from the British Safety Council. - PPSB received the BrandLaureate Fast Moving Growing Sustainable Business & Brands Awards 2024. - PPSB received Silver Award at the AIGA 2023 from the Malaysian Institute of Integrity. - PPSB received three awards during the Digital Human Resources Transformation Summits & Awards 2024 organised by WEventz, namely, HR Innovation Excellent, Digital Transformation and Best HR Team of the Year. - Johor Port received the GPAS 2024 awarded by the APSN.

7.5 OUR PORTS AND CRUISE TERMINALS

7.5.1 Our location

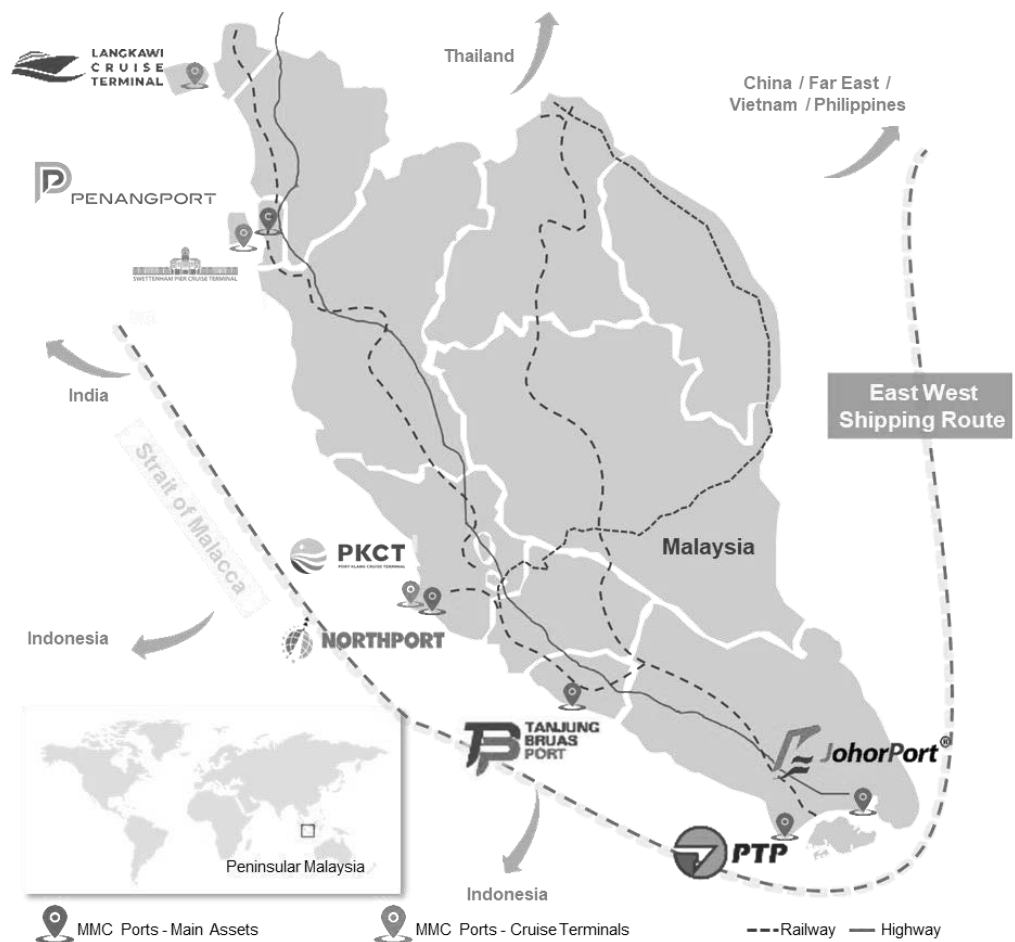
Each of our five sea ports, the offshore Yan STS Port where we conduct STS services and our three cruise terminals are strategically located along the Strait of Malacca on the west coast of Peninsular Malaysia.

The Strait of Malacca is the world's busiest shipping route, serving as the primary maritime route linking Asia, including China, to Europe, according to Drewry. It is a vital corridor for global maritime trade, connecting the Indian Ocean to the South China Sea.

The west coast of Peninsular Malaysia is densely populated with strong intermodal connections within the region and with neighbouring countries. Our ports connect to Malaysia's hinterlands via the North-South Expressway, North-South Expressway Central Link, Shah Alam Expressway and South Klang Valley Expressway. The North-South Expressway spans the length of Peninsular Malaysia from Bukit Kayu Hitam at the Malaysia-Thai border to the Johor Causeway in the south, covering a distance of 772 kilometres. This expressway along the west coast of Peninsular Malaysia together with the New Klang Valley Expressway and the Federal Highway Route 2, plays an important role in the distribution of import/export cargo through our ports. In addition to road, sea and air intermodal linkages, our ports are also connected to Malaysia's national railway network, which runs through Peninsular Malaysia from Singapore to Southern Thailand.

7. BUSINESS OVERVIEW (Cont'd)

The following map shows the location of our ports and cruise terminals:



7.5.2 Our ports

We operate five sea ports, namely PTP, Johor Port, Northport, Penang Port and Tanjong Bruas Port.

These ports handle conventional and container cargo and provide marine services. Conventional cargo includes break bulk, dry bulk, liquid bulk and RORO cargo. We also offer other port services, including logistics services and other ancillary services. Our rights to operate, manage and develop our ports are held through long-term concessions until 2055 that have been granted by the Government and the relevant port authorities.

7. BUSINESS OVERVIEW (Cont'd)

The following tables set forth our container and conventional cargo volume by our sea port for the Financial Years Under Review and from 1 January 2025 through the LPD.

Container volume (million TEUs)	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
PTP				
Export	0.3	0.3	0.4	0.2
Import	0.3	0.3	0.3	0.1
Transshipment	9.9	9.9	11.6	4.5
Total	10.5	10.5	12.3	4.8
Johor Port				
Export	0.4	0.4	0.5	0.2
Import	0.5	0.5	0.6	0.2
Transshipment	*	*	*	*
Total	0.9	0.9	1.1	0.4
Northport				
Export	0.8	0.7	0.9	0.3
Import	0.9	0.9	0.9	0.3
Transshipment	1.5	1.6	1.8	0.6
Total	3.2	3.2	3.7	1.2
Penang Port				
Export	0.6	0.7	0.7	0.2
Import	0.6	0.7	0.7	0.2
Transshipment	0.1	0.1	0.1	*
Total	1.3	1.4	1.4	0.4
Tanjung Bruas Port				
Export	*	*	*	*
Import	*	*	*	*
Transshipment	-	-	-	-
Total	*	*	*	*
All sea ports (Total)				
Export	2.2	2.3	2.5	0.9
Import	2.3	2.3	2.5	0.8
Transshipment	11.4	11.5	13.5	5.1
Total	15.9	16.1	18.5	6.8

Notes:

* Less than 0.1.

- Nil.

7. BUSINESS OVERVIEW (Cont'd)

Conventional cargo volume (million FWTs)	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
PTP				
<i>Dry bulk</i>	-	-	-	-
<i>Liquid bulk</i>	-	-	-	-
<i>Break bulk</i>	-	-	-	-
<i>RORO</i>	-	-	-	-
Total	-	-	-	-
Johor Port				
<i>Dry bulk</i>	4.0	4.2	4.5	1.2
<i>Liquid bulk</i>	14.5	12.0	11.9	4.4
<i>Break bulk</i>	0.6	0.5	0.6	0.2
<i>RORO</i>	-	-	-	-
Total	19.1	16.7	17.0	5.8
Northport				
<i>Dry bulk</i>	3.5	3.5	3.7	1.4
<i>Liquid bulk</i>	3.1	3.2	3.7	1.1
<i>Break bulk</i>	3.1	3.4	4.0	1.3
<i>RORO</i>	1.4	1.3	1.3	0.5
Total	11.1	11.4	12.7	4.3
Penang Port				
<i>Dry bulk</i>	2.7	2.6	2.5	0.9
<i>Liquid bulk</i>	1.9	1.7	1.8	0.4
<i>Break bulk</i>	1.2	1.4	1.9	0.6
<i>RORO</i>	-	-	-	-
Total	5.8	5.6	6.2	1.9
Tanjung Bruas Port				
<i>Dry bulk</i>	0.1	0.1	0.1	0.1
<i>Liquid bulk</i>	*	*	*	*
<i>Break bulk</i>	0.4	0.4	0.4	0.1
<i>RORO</i>	-	-	-	-
Total	0.5	0.5	0.5	0.2
All sea ports (Total)				
<i>Dry bulk</i>	10.3	10.5	10.8	3.6
<i>Liquid bulk</i>	19.5	16.9	17.5	5.9
<i>Break bulk</i>	5.3	5.6	6.9	2.2
<i>RORO</i>	1.4	1.3	1.3	0.5
Total	36.5	34.3	36.5	12.2

Notes:

* Less than 0.1.

- Nil.

7. BUSINESS OVERVIEW (Cont'd)

The following table describes the key operational data of each of our sea ports as at and for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December 2022					
	PTP	Johor Port	Northport	Penang Port	Tanjung Bruas Port	Total
Container services						
Capacity (million TEUs) ⁽¹⁾	12.9	1.5	4.8	2.3	*	21.5
Capacity utilisation ⁽¹⁾	81.5%	61.2%	66.1%	56.5%	34.1%	73.9%
Throughput (million TEUs)	10.5	0.9	3.2	1.3	*	15.9
Transshipment: Import/Export ratio ⁽²⁾	94:6	2:98	46:54	5:95	0:100	72:28
No. of vessel calls ⁽³⁾	4,576	1,678	3,101	814	18	10,187
Area (hectare)	233.1	29.1	122.3	83.6	1.0	469.1
No. of container terminals	1	3	2	1	1	8
No. of berths	14	3	13	6	2 ⁽⁷⁾	38
Quay length (metres)	5,040.0	708.0	3,028.0	1,500.0	225.0	10,501
No. of ground slots ⁽⁴⁾	48,291	6,255	13,647	10,466	322	78,981
Berth occupancy rate ⁽⁵⁾	58.9%	55.6%	61.2%	36.4%	60.0	N/A
Productivity (Moves per hour) ⁽⁶⁾	25.1	25.6	23.5	26.0	16.5	N/A
TEUs per crane	224,980	99,696	96,119	144,438	N/A ⁽⁷⁾	N/A
TEUs per hectare	45,098	31,567	25,936	15,555	17,779	N/A
Conventional cargo services (excluding RORO cargo)						
Capacity (million FWTs) ⁽¹⁾	-	24.0	12.0	14.4	1.0	51.4
Capacity utilisation ⁽¹⁾	-	79.4%	80.8%	40.3%	46.8%	68.2%
No. of vessel calls ⁽³⁾	-	2,191	1,425	1,144	102	4,862
No. of berths	-	21	15	15	2 ⁽⁷⁾	53
Quay length (metres)	-	4,184.0	2,362.0	2,122.0	225.0	8,893.0
RORO cargo services						
Throughput (Unit)	-	-	101,044	-	-	101,044
No. of vessel calls ⁽³⁾	-	-	80	-	-	80

7. BUSINESS OVERVIEW (Cont'd)

Key operating data	FYE 31 December 2023					
	PTP	Johor Port	Northport	Penang Port	Tanjung Bruas Port	Total
Container services						
Capacity (million TEUs) ⁽¹⁾	13.9	1.5	5.6	2.3	*	23.3
Capacity utilisation ⁽¹⁾	75.4%	62.7%	56.9%	62.8%	10.0%	68.8%
Throughput (million TEUs)	10.5	0.9	3.2	1.4	*	16.1
Transshipment: Import/Export ratio ⁽²⁾	94:6	1:99	49:51	5:95	0:100	72:28
No. of vessel calls ⁽³⁾	4,842	1,845	3,339	950	6	10,982
Area (hectare)	233.1	29.1	122.3	83.6	1.0	469.1
No. of container terminals	1	3	2	1	1	8
No. of berths	14	3	13	6	2 ⁽⁷⁾	38
Quay length (metres)	5,040.0	708.0	3,028.0	1,500.0	225.0	10,501.0
No. of ground slots ⁽⁴⁾	48,291	6,477	15,754	10,466	322	81,310
Berth occupancy rate ⁽⁵⁾	55.8%	62.0%	45.9%	39.9%	60.0%	N/A
Productivity (Moves per hour) ⁽⁶⁾	27.1	25.5	28.7	27.0	16.5	N/A
TEUs per crane	232,770	103,986	106,152	160,389	N/A ⁽⁷⁾	N/A
TEUs per hectare	44,960	32,340	26,039	17,273	5,194	N/A
Conventional cargo services (excluding RORO cargo)						
Capacity (million FWTs) ⁽¹⁾	-	24.0	12.0	14.4	1.0	51.4
Capacity utilisation ⁽¹⁾	-	69.8%	84.1%	39.0%	51.5%	64.2%
No. of vessel calls ⁽³⁾	-	2,123	1,521	1,667	86	5,397
No. of berths	-	21	15	15	2 ⁽⁷⁾	53
Quay length (metres)	-	4,184.0	2,362.0	2,122.0	225.0	8,893.0
RORO cargo services						
Throughput (Unit)	-	-	95,080	-	-	95,080
No. of vessel calls ⁽³⁾	-	-	89	-	-	89

7. BUSINESS OVERVIEW (Cont'd)

Key operating data	FYE 31 December 2024					
	PTP	Johor Port	Northport	Penang Port	Tanjung Bruas Port	Total
Container services						
Capacity (million TEUs) ⁽¹⁾	13.9	1.5	6.2	2.3	*	23.9
Capacity utilisation ⁽¹⁾	88.2%	70.6%	59.1%	61.6%	27.6%	76.9%
Throughput (million TEUs)	12.3	1.1	3.7	1.4	*	18.5
Transshipment: Import/Export ratio ⁽²⁾	95:5	1:99	50:50	5:95	0:100	73:27
No. of vessel calls ⁽³⁾	4,669	1,790	3,285	1,086	22	10,852
Area (hectare)	233.1	29.1	122.3	83.6	1.0	469.1
No. of container terminals	1	3	2	1	1	8
No. of berths	14	3	13	6	2 ⁽⁷⁾	38
Quay length (metres)	5,040.0	708.0	3,028.0	1,500.0	225.0	10,501.0
No. of ground slots ⁽⁴⁾	48,291	6,513	17,770	10,466	322	83,362
Berth occupancy rate ⁽⁵⁾	61.9%	62.0%	53.8%	35.2%	60.0%	N/A
Productivity (Moves per hour) ⁽⁶⁾	27.1	26.0	25.9	28.4	16.5	N/A
TEUs per crane	259,587	113,855	130,919	157,383	N/A ⁽⁷⁾	N/A
TEUs per hectare	52,564	36,396	29,973	16,949	14,402	N/A
Conventional services (excluding RORO cargo)						
Capacity (million FWTs) ⁽¹⁾	-	24.0	12.0	14.4	1.0	51.4
Capacity utilisation ⁽¹⁾	-	70.9%	94.9%	43.5%	48.4%	68.4%
No. of vessel calls ⁽³⁾	-	2,164	1,604	1,156	71	4,995
No. of berths	-	21	16	15	2 ⁽⁷⁾	54
Quay length (metres)	-	4,184.0	2,362.0	2,122.0	225.0	8,893.0
RORO cargo services						
Throughput (Unit)	-	-	92,051	-	-	92,051
No. of vessel calls ⁽³⁾	-	-	105	-	-	105

7. BUSINESS OVERVIEW (Cont'd)

Key operating data	1 January 2025 to LPD					
	PTP	Johor Port	Northport	Penang Port	Tanjung Bruas Port	Total
Container services						
Capacity (annual) (million TEUs) ⁽¹⁾	14.0	1.5	6.2	2.3	*	24.0
Capacity utilisation ⁽¹⁾	96.0%	68.4%	54.8%	59.1%	61.2%	80.1%
Throughput (million TEUs)	4.8	0.4	1.2	0.4	*	6.8
Transshipment: Import/Export ratio ⁽²⁾	95:5	1:99	48:52	4:96	0:100	75:25
No. of vessel calls ⁽³⁾	1,694	652	1,069	330	7	3,752
Area (hectare)	233.1	29.1	122.3	83.6	1.0	469.1
No. of container terminals	1	3	2	1	1	8
No. of berths	14	3	13	6	2 ⁽⁷⁾	38
Quay length (metres)	5,040.0	708.0	3,028.0	1,500.0	225.0	10,501.0
No. of ground slots ⁽⁴⁾	48,291	6,513	17,770	10,466	322	83,362
Berth occupancy rate ⁽⁵⁾	61.8%	66.5%	47.6%	36.1%	60.0%	N/A
Productivity (Moves per hour) ⁽⁶⁾	27.6	25.5	27.6	26.3	16.5	N/A
TEUs per crane	97,505	47,406	42,857	53,364	N/A ⁽⁷⁾	N/A
TEUs per hectare	20,382	12,467	9,812	5,747	11,297	N/A
Conventional services (excluding RORO cargo)						
Capacity (annual) (million FWTs) ⁽¹⁾	-	24.0	12.0	14.4	1.0	51.4
Capacity utilisation ⁽¹⁾	-	68.9%	89.5%	37.8%	50.9%	64.6%
No. of vessel calls ⁽³⁾	-	768	509	346	24	1,647
No. of berths	-	21	16	15	2 ⁽⁷⁾	54
Quay length (metres)	-	4,184.0	2,362.0	2,122.0	225.0	8,893.0
RORO cargo services						
Throughput (Unit)	-	-	37,108	-	-	37,108
No. of vessel calls ⁽³⁾	-	-	36	-	-	36

7. BUSINESS OVERVIEW (Cont'd)

Notes:

* Less than 0.1.

- Nil.

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs/FWTs processed in the year divided by the maximum TEU/FWT capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion.

For information, PTP also reports safe operating capacity, which is the level of cargo throughput a port can handle efficiently and reliably under normal operating conditions, while maintaining service quality and operational stability. It reflects a scenario where port operations consider typical factors such as equipment maintenance, labor shifts and berth availability. This capacity level supports consistent and effective performance. PTP's capacity utilisation based on its safe operating capacity is set out below:

	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Container services				
Capacity (million TEUs).....	12.5	13.5	13.5	13.5
Capacity utilisation	84.1%	77.6%	90.8%	99.6%

- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.
- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.
- (4) Total number of ground slots include ground slots for both laden and empty containers.
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.
- (7) Tanjung Bruas Port has a total of two berths that handle both container and conventional services. Tanjung Bruas Port does not utilise quay crane; therefore, the data for TEU/crane is not applicable.

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7. BUSINESS OVERVIEW (Cont'd)

(i) PTP

PTP is located in Johor state on the eastern mouth of the Pulai River. PTP is operated by our 70.0%-owned subsidiary, PTPSB. A.P.Moller – Maersk A/S (listed on the NASDAQ Copenhagen Exchange, Denmark), through its wholly-owned subsidiary APM Terminals B.V., has held the remaining 30.0% stake in PTPSB since August 2000. The port became operational in October 1999 and was officially launched in March 2000. The port covers a land area of approximately 1,189.2 hectares. On 1 February 2025, Maersk A/S and Hapag-Lloyd launched the “Gemini Cooperation”, a new long-term operational collaboration which has selected PTP as the primary Asian hub for their shipping alliance for hub-and-spoke services.

PTP is one of the key hubs for the “Gemini Cooperation”, reinforcing its role as a pivotal regional trade gateway. PTP stands at the forefront of global ports and is currently ranked as the fifth most efficient port globally and first in Southeast Asia, according to the World Bank’s Container Port Performance Index for 2023.

PTP is strategically located on the main East-West shipping lane, which allows it to serve major container lines with minimal deviation time. The port is situated in a sheltered bay with no tide restrictions. PTP is well-connected to the hinterland with roads linking it to the second Malaysia-Singapore expressway and Malaysia’s North-South Highway. In addition to road, sea and air intermodal linkages, PTP is also connected to Malaysia’s national railway network, which runs through Peninsular Malaysia, and is connected to strategic locations such as Port Klang and to Southern Thailand. The rail depot at PTP also provides direct access to Johor Port. As at the LPD, PTP is directly connected to 55 countries and 300 ports. As at the LPD, PTP had approximately 93 weekly vessel calls from various ships and received more than 82 weekly services from various container shipping lines.

PTP’s core businesses are container, marine, and other services such as free zone and real estate. PTP’s container services include (i) stevedoring services for lifting containers on and off vessels and (ii) storage services at its yard to facilitate delivery and receipt of cargo. PTP’s marine services include (i) towage services, and (ii) pilotage services. Other value-added services that PTP offers include, amongst others, reefer storage for perishable goods that require temperature control, container repairs for the safe and efficient transport of goods, and warehousing and storage services. See Section 7.6 of this Prospectus for further details of our services.

PTP serves as a key transshipment hub for major shipping lines and box operators. From 1 January 2025 to the LPD, approximately 95.0% of shipments at PTP were for international transport. PTP’s deep-water berths and modern facilities, including 14 berths and a quay length of approximately 5.0 kilometres, enable it to handle large container vessels with a terminal capacity of up to 14.0 million TEUs. As a testament to PTP’s capacity to handle large-scale shipments, Ever Ace, one of Evergreen’s largest container ships, called at PTP during its maiden voyage in Southeast Asia in 2021. In 2025, PTP achieved three consecutive monthly throughput records, handling 1,183,759 TEUs in March, 1,215,751 TEUs in April and 1,269,389 TEUs in May.

As at the LPD, PTP’s berth length was 5.0 kilometres with a maximum depth of approximately 18.5 metres. As at the LPD, PTP serviced approximately 20 shipping lines with approximately 300 port connections. In accordance with the PTP Privatisation Agreement, PTPSB has, pursuant to the PTPSB’s development master plan completed Phases 1 and 2. As at the LPD, PTP’s facilities in Phases 1 and 2 of the Pelepas Free Zone consisted of two warehouses and covering 208,176 sq. ft.. PTPSB acts solely as a landlord for these warehouses for short term lease (less than three years) with third-party tenants and does not engage in direct warehouse operations.

7. BUSINESS OVERVIEW (Cont'd)

Integrated with PTP is the Pelepas Free Zone, encompassing approximately 664.5 hectares across five phases, which facilitates integrated commercial and industrial activities around PTP. Phases 1 and 2, covering 294.8 hectares, have been developed with essential infrastructure such as electricity, water, telecommunications, roads and drainage. Over 90.0% of this land has been subleased to local and global companies as at the LPD. As at the LPD, PTP leased Phases 1 and 2 to approximately 40 tenants for use as warehouses and light manufacturing operations. We expect to complete the entire development of Phase 3 by mid-2030. There are no current plans to develop Phases 4 and 5 in the near term. The development master plan of PTP depends on the prevailing economic growth and market conditions in Malaysia and may be amended from time to time with approval of JPA.

The following table describes the key operational data of PTP (PTP's operations are primarily focused on container services) for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Container services				
Capacity (million TEUs) ⁽¹⁾	12.9	13.9	13.9	14.0
Capacity utilisation ⁽¹⁾	81.5%	75.4%	88.2%	96.0%
Throughput (million TEUs)	10.5	10.5	12.3	4.8
Transshipment: Import/Export ratio ⁽²⁾	94:6	94:6	95:5	95:5
No. of vessel calls ⁽³⁾	4,576	4,842	4,669	1,694
Area (hectare)	233.1	233.1	233.1	233.1
No. of container terminals	1	1	1	1
No. of berths	14	14	14	14
Quay length (metres)	5,040.0	5,040.0	5,040.0	5,040.0
No. of ground slots ⁽⁴⁾	48,291	48,291	48,291	48,291
Berth occupancy rate ⁽⁵⁾	58.9%	55.8%	61.9%	61.8%
Productivity (Moves per hour) ⁽⁶⁾	25.1	27.1	27.1	27.6
TEUs per crane	224,980	232,770	259,587	97,505
TEUs per hectare	45,098	44,960	52,564	20,382

As at LPD:

Size of terminal for existing expansion (hectare)	233.1
Size of terminal for future expansion (hectare)	363.2

Notes:

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs processed in the year divided by the maximum TEU capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion. For information, PTP also reports safe operating capacity, which is the level of cargo throughput a port can handle efficiently and reliably under normal operating conditions, while maintaining service quality and operational stability. It reflects a scenario where port operations consider typical factors such as equipment maintenance, labor shifts and berth availability. This capacity level supports consistent and effective performance. PTP's capacity utilisation based on its safe operating capacity is set out below:

	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Capacity (million TEUs).....	12.5	13.5	13.5	13.5
Capacity utilisation.....	84.1%	77.6%	90.8%	99.6%

- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.
- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that

7. BUSINESS OVERVIEW (Cont'd)

enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.

- (4) Total number of ground slots include ground slots for both laden and empty containers.*
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.*
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.*

(ii) Johor Port

Johor Port is located at the southern tip of Peninsular Malaysia. Johor Port is operated by our wholly-owned subsidiary, JPB. As the first port developed in Johor state, Johor Port has been operational since 1977 and covers a land area of 404.7 hectares as at the LPD.

Johor Port serves more than 30 industrial areas in Johor, Malaysia's third largest manufacturing state, including two large industrial areas, namely the Pasir Gudang Industrial Zone that covers a land area of 3,237 hectares and the Tanjung Langsat Industrial Complex that covers a land area of 2,023 hectares. These industrial areas contribute to a diversified hinterland cargo base, allowing stable cargo volumes for Johor Port. Johor Port also services the surrounding hinterland in Singapore and nearby islands in Indonesia. The rail depot at Johor Port also provides direct access to PTP.

Johor Port's water limit encompasses a vast area that extends from the coastline at the southernmost tip of Tanjung Penyusop, along the boundary of Malaysia's territorial waters, and reaches the eastern side of the Johor Causeway. This area includes the coastline extending eastward and the Johor River where third-party terminal operators are located. Within this area, there are various layup areas, anchorage points, and 26 private jetties under the governance of the JPA.

Johor Port is an integrated, multi-purpose port offering container, conventional cargo and marine services. It handles container cargo, dry bulk, break bulk cargo and liquid bulk cargo at its dedicated terminals. As a commodity hub, Johor Port serves as the main gateway for Johor state's numerous palm oil producers to markets around the world, and palm oil and palm kernel shells are among the main types of commodities handled by Johor Port. Johor Port is the largest palm oil terminal in the world, according to Drewry. While Johor Port may be indirectly affected by fluctuations in global palm oil demand, including reduced imports from certain markets and geopolitical developments, the impact is mitigated by its diversified cargo base and long-term customer relationships. Johor Port monitors market trends and engages with stakeholders to adapt to evolving demand patterns. At present, these factors are not expected to have a sustained material impact on Johor Port's overall performance. In addition, Johor Port provides warehousing facilities, which provides storage space for conventional cargo (such as cocoa, fertiliser, and rice) and hard commodities (such as cement, and transit cargo). We also provide dedicated warehouse space for the London Metal Exchange, a global commodities exchange established in 1877, which facilitates the transaction of non-ferrous metal futures business. Johor Port also offers offshore inspection, maintenance and repair services to the oil and gas industries through its one stop centre, which includes manpower, mobilisation, maintenance and repair works.

As at the LPD, Johor Port offers its services to approximately 27 shipping lines with approximately 55 port connections. As at the LPD, its terminal had 24 berths, 4,892.0 metres of berth length and a maximum depth of 13.5 metres. For storage and warehousing, Johor Port offers 32 warehouses for storage of

7. BUSINESS OVERVIEW (Cont'd)

conventional cargo. Johor Port is equipped with marine-loading arm facilities and has separate facilities for edible cargo and non-edible cargo, complemented by five liquid jetties that can accommodate nine vessels at any one time. Johor Port's facilities include a tank farm with a capacity of approximately 1.0 million MT as at the LPD. In 2004, Johor Port was accredited by the London Metal Exchange as an approved location for the handling and storing of non-ferrous metals.

Integrated with Johor Port is the Johor Port Free Zone, a 267-hectare area for industrial and commercial activities within a free zone environment. Johor Port has also developed a satellite terminal called "Terminal 2" in November 2016, located approximately seven kilometres away from the main port. Terminal 2 provides additional capacity for Johor Port and its customers and business partners, by providing space for warehousing and customs clearance.

The following table describes the key operational data of Johor Port for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Container services				
Capacity (million TEUs) ⁽¹⁾	1.5	1.5	1.5	1.5
Capacity utilisation ⁽¹⁾	61.2%	62.7%	70.6%	68.4%
Throughput (million TEUs)	0.9	0.9	1.1	0.4
Transshipment: Import/Export ratio ⁽²⁾	2:98	1:99	1:99	1:99
No. of vessel calls ⁽³⁾	1,678	1,845	1,790	652
Area (hectare)	29.1	29.1	29.1	29.1
No. of container terminals	3	3	3	3
No. of berths	3	3	3	3
Quay length (metres)	708.0	708.0	708.0	708.0
No. of ground slots ⁽⁴⁾	6,255	6,477	6,513	6,513
Berth occupancy rate ⁽⁵⁾	55.6%	62.0%	62.0%	66.5%
Productivity (Moves per hour) ⁽⁶⁾	25.6	25.5	26.0	25.5
TEUs per crane	99,696	103,986	113,855	47,406
TEUs per hectare	31,567	32,340	36,396	12,467
As at LPD:				
Size of terminal for existing expansion (hectare)				4.1
Size of terminal for future expansion (hectare)				4.9
Conventional cargo services (excluding RORO cargo)				
Capacity (million FWTs) ⁽¹⁾	24.0	24.0	24.0	24.0
Capacity utilisation ⁽¹⁾	79.4%	69.8%	70.9%	68.9%
No. of vessel calls ⁽³⁾	2,191	2,123	2,164	768
No. of berths	21	21	21	21
Quay length (metres)	4,184.0	4,184.0	4,184.0	4,184.0

Notes:

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs/FWTs processed in the year divided by the maximum TEU/FWT capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion.
- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.
- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.

7. BUSINESS OVERVIEW (Cont'd)

- (4) Total number of ground slots include ground slots for both laden and empty containers.
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.

Solid product jetty

JPB's subsidiary, SPT Services, operates the solid product jetty terminal in Tanjung Setapa, located at the PETRONAS Pengerang Integrated Complex. The solid product jetty terminal is designed to handle the volume produced at the PETRONAS Pengerang Integrated Complex, ensuring the timely export of containerised polymer and bulk sulphur, and other oil and gas industry-related products to the market.

The solid product jetty terminal is accessible through major highways and expressways, such as the Senai Desaru Expressway, and connected to the North-South Expressway.

On 15 June 2017, PETRONAS' subsidiary, PRPC Utilities and Facilities Sdn Bhd, signed a 25-year Port Operatorship Agreement with SPT Services to operate, manage and maintain the facilities and equipment of the solid product jetty terminal in Tanjung Setapa at PETRONAS Pengerang Integrated Complex.

(iii) *Northport*

Northport is located in Port Klang in central Malaysia's Selangor state along the main shipping route in the Strait of Malacca. Northport is operated by our wholly-owned subsidiary, NMB. Northport comprises two ports, North Port and Southpoint (formerly known as Port Swettenham) and covers a land area of approximately 356.7 hectares as at the LPD.

Northport is strategically located in the central region of Malaysia, with seven major expressways connecting the port to numerous major industrial parks around Klang Valley and Nilai, including the Federal Highway, North-South Expressway Central Link, Shah Alam Expressway, South Klang Valley Expressway, New Klang Valley Expressway, Federal Highway Route 2, West Coast Expressway and Pulau Indah Expressway.

Northport is connected to Malaysia's national railway network through the KTMB West Coast Line, which connects Port Klang to Southern Thailand and down south to Johor Bahru. Additionally, Northport is set to be integrated into the upcoming ECRL, which would establish a land bridge connecting Kuantan Port to Port Klang. Furthermore, the ECRL segment between Jalan Kastam station and Northport is undergoing an upgrade to a double-track system, replacing the original single dual-gauge track. This enhancement is expected to improve rail capacity and efficiency for freight operations linked to Northport. Northport's location facilitates efficient cargo consolidation from the north, south and east coasts of Peninsular Malaysia. The area is surrounded by mature hinterland with various factories, shipping companies, customs brokers, container storage depots, and transport companies located within the vicinity.

Northport is a multi-purpose port offering container, conventional cargo, and marine services. Container services are provided through two container terminals within Northport. Conventional cargo is managed at the port's dry bulk terminal, which features extended footprint areas for additional capacity, designated warehouses for secure storage and open yards for large or bulky

7. BUSINESS OVERVIEW (Cont'd)

items, as well as at the Southpoint area, which includes facilities for handling liquid bulk (such as palm oil, petroleum products, liquefied petroleum gas, bitumen, etc.), dry bulk (such as grains, palm kernel extract, coal, biomass, etc.) and break bulk cargo (such as steel, project cargo, machinery and equipment, palletised cargo, etc.). Northport also provides port logistics and RORO services through a dedicated vehicle transit centre terminal. The types of RORO cargo handled by Northport include both new and reconditioned vehicles as well as high and heavy equipment.

A staggered port tariff increase has been approved for Port Klang, the first tariff adjustment for the port since 2015, with the first phase taking effect in July 2025. For more information, see Section 7.7. While the port tariff increases may result in higher charges to users, the impact on Northport's competitiveness is expected to be manageable. Northport remains strategically located along the Strait of Malacca with established infrastructure, connectivity, and service levels that continue to support its competitive position.

As at the LPD, Northport's berth length is 5.4 kilometres, with a depth ranging from approximately 10.0 metres to 17.0 metres. Northport serviced 38 shipping lines through 84 port connections as at the LPD. As at the LPD, Northport connects to all East Malaysia ports with over 11 vessel calls per week and to all major Intra-Asia ports (excluding Singapore) with 57 vessel calls per week among the ASEAN Economic Community. For storage and warehousing, Northport offers 32 warehouses with capacities ranging from 56,187 MT to 220,059 MT for storage of container and conventional cargo.

Northport maintains, develops, operates and administers a free commercial zone area at North Port and Southpoint spanning a total area of approximately 21.7 hectares for warehousing, distribution and freight forwarding in a free zone environment and 1.9 hectares outside of the free zone area.

The following table describes the key operational data of Northport for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Key operating data				
Container services				
Capacity (million TEUs) ⁽¹⁾	4.8	5.6	6.2	6.2
Capacity utilisation ⁽¹⁾	66.1%	56.9%	59.1%	54.8%
Throughput (million TEUs)	3.2	3.2	3.7	1.2
Transshipment: Import/Export ratio ⁽²⁾	46:54	49:51	50:50	48:52
No. of vessel calls ⁽³⁾	3,101	3,339	3,285	1,069
Area (hectare)	122.3	122.3	122.3	122.3
No. of container terminals	2	2	2	2
No. of berths	13	13	13	13
Quay length (metres)	3,028.0	3,028.0	3,028.0	3,028.0
No. of ground slots ⁽⁴⁾	13,647	15,754	17,770	17,770
Berth occupancy rate ⁽⁵⁾	61.2%	45.9%	53.8%	47.6%
Productivity (Moves per hour) ⁽⁶⁾	23.5	28.7	25.9	27.6
TEUs per crane	96,119	106,152	130,919	42,857
TEUs per hectare	25,936	26,039	29,973	9,812
As at LPD:				
Size of terminal for existing expansion (hectare)				3.0
Size of terminal for future expansion (hectare)				3.0
Conventional cargo services (excluding RORO cargo)				
Capacity (million FWTs) ⁽¹⁾	12.0	12.0	12.0	12.0
Capacity utilisation ⁽¹⁾	80.8%	84.1%	94.9%	89.5%
No. of vessel calls ⁽³⁾	1,425	1,521	1,604	509
No. of berths	15	15	16	16
Quay length (metres)	2,362.0	2,362.0	2,362.0	2,362.0
RORO cargo services				
Throughput (Unit)	101,044	95,080	92,051	37,108
No. of vessel calls ⁽³⁾	80	89	105	36

7. BUSINESS OVERVIEW (Cont'd)

Notes:

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs/FWTs processed in the year divided by the maximum TEU/FWT capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion.
- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.
- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.
- (4) Total number of ground slots include ground slots for both laden and empty containers.
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.

(iv) Penang Port

Penang Port is located in Penang state in the northern part of the west coast of Malaysia. Penang Port is operated by our wholly-owned subsidiary, PPSB. The port covers a land area of approximately 240.6 hectares as at the LPD.

Penang Port serves as the primary maritime gateway for Kedah, Perlis, Penang and Perak in Northern Malaysia. Penang's throughput largely reflects import-export activities of the local economy and the key trading partners, such as Southern Thailand, according to Drewry. Its strategic location on the Strait of Malacca provides access to the emerging markets of the Bay of Bengal, making it a crucial gateway for Northern Malaysia, Southern Thailand, and the Indonesia-Malaysia-Thailand Growth Triangle. It is directly accessible by the North-South Expressway which is connected to the Penang Bridge and Sultan Abdul Halim Muadzam Shah Bridge linking the Penang Port to Penang Island. It is connected to Malaysia's national railway network through the Butterworth railway station and other national highways in Malaysia and the southern part of Thailand.

As a multi-purpose port, Penang Port operates across dedicated terminals and wharves that offer container, conventional cargo and marine services, including the North Butterworth Container Terminal, Butterworth Deep Water Wharves, Vegetable Oil Tanker Pier, Prai Wharf, and Prai Bulk Cargo Terminal. Penang Port handles conventional cargo such as break bulk cargo, dry and liquid bulk cargo, including dangerous goods in both liquid and gaseous states. Key types of cargo handled by Penang Port include solar panels and related raw materials, steel coils, paper products, paper waste, completely knocked down industrial products, sugar, maize, metallurgical coke, animal feed, soya beans, vegetable oils, sawn timber, wood mouldings, latex and rubber products. Penang Port has a dedicated vegetable oil tanker pier where edible oils such as crude palm oil, crude palm kernel oil and refined palm oil can be directly piped to nearby storage facilities that Penang Port leases to private companies. Additionally, Penang Port offers ancillary services such as pilotage, towage, bunkering, auxiliary police, fire and rescue, and occupational safety, health, and environment services. It also offers cruise services for passengers embarking

7. BUSINESS OVERVIEW (Cont'd)

and disembarking through a dedicated cruise terminal, SPCT, as well as ferry services for pedestrians and two-wheelers. See Section 7.5.3 of this Prospectus for more details of our cruise terminal.

As at the LPD, Penang Port's berth length is 3.6 kilometres with a maximum depth of approximately 12.0 metres. As at the LPD, Penang Port was directly connected to 184 countries and 600 ports, and the port serviced 25 shipping lines through 19 port connections and received more than 17 weekly services from various shipping lines. For storage and warehousing, Penang Port offers 33 warehouses with capacity of approximately 750,000 MT for storage of conventional cargo.

Penang Port maintains, develops, operates and administers free commercial zones at its North Butterworth Container Terminal with a total area of approximately 83.6 hectares and its Butterworth Deep Water Wharves with a total area of approximately 56.6 hectares.

Penang Port also operates ferry terminals at *Pangkalan Raja Tun Uda* and *Pangkalan Sultan Abdul Halim*. See Section 7.6 of this Prospectus for more details.

The following table describes the key operational data of Penang Port for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Container services				
Capacity (million TEUs) ⁽¹⁾	2.3	2.3	2.3	2.3
Capacity utilisation ⁽¹⁾	56.5%	62.8%	61.6%	59.1%
Throughput (million TEUs)	1.3	1.4	1.4	0.4
Transshipment: Import/Export ratio ⁽²⁾	5:95	5:95	5:95	4:96
No. of vessel calls ⁽³⁾	814	950	1,086	330
Area (hectare)	83.6	83.6	83.6	83.6
No. of container terminals	1	1	1	1
No. of berths	6	6	6	6
Quay length (metres)	1,500.0	1,500.0	1,500.0	1,500.0
No. of ground slots ⁽⁴⁾	10,466	10,466	10,466	10,466
Berth occupancy rate ⁽⁵⁾	36.4%	39.9%	35.2%	36.1%
Productivity (Moves per hour) ⁽⁶⁾	26.0	27.0	28.4	26.3
TEUs per crane	144,438	160,389	157,383	53,364
TEUs per hectare	15,555	17,273	16,949	5,747
As at LPD:				
Size of terminal for existing expansion (hectare)				96.0
Size of terminal for future expansion (hectare)				322.8
Conventional cargo services (excluding RORO cargo)				
Capacity (million FWTs) ⁽¹⁾	14.4	14.4	14.4	14.4
Capacity utilisation ⁽¹⁾	40.3%	39.0%	43.5%	37.8%
No. of vessel calls ⁽³⁾	1,144	1,667	1,156	346
No. of berths	15	15	15	15
Quay length (metres)	2,122.0	2,122.0	2,122.0	2,122.0

Notes:

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs/FWTs processed in the year divided by the maximum TEU/FWT capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion.
- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a

7. BUSINESS OVERVIEW (Cont'd)

percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.

- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.
- (4) Total number of ground slots include ground slots for both laden and empty containers.
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.

(v) Tanjung Bruas Port

Tanjung Bruas Port is located in Malacca state on the west coast of Peninsular Malaysia, fronting the narrowest point of the Strait of Malacca. Tanjung Bruas Port is operated by our subsidiary, TBPSB, which is 70.0% owned by us, and 30.0% owned by Kumpulan Melaka Berhad, a Malacca state-owned entity. As at the LPD, the port covers a land area of approximately 6.1 hectares.

Tanjung Bruas Port serves as the main gateway port to Malacca state and the main port for outbound cargo from Indonesia's Riau Province. It is accessible by the North-South Expressway and is approximately 156 kilometres by road from Kuala Lumpur and 90 kilometres from the Kuala Lumpur International Airport. The nearest city to the Tanjung Bruas Port is Malacca City located about 10.0 kilometres to the south of the port. The port is surrounded by hinterland spanning Malacca, southern part of Negeri Sembilan and northern part of Johor. It connects with over 500 companies in diversified industries in Malacca such as food processing, semiconductors, metal, solar panels, floated glass, garments and the electrical and electronic sectors. Tanjung Bruas Port is directly connected to four countries and seven ports as at the LPD.

Tanjung Bruas Port is a multi-purpose port that provides container, conventional cargo, and other services such as storage and warehousing services among other things. The port handles various conventional and break bulk cargo such as steel coil, wood pellets, wood chips, palm kernel shells, silica sand, ammonia gas, various oil products, solar panels and float glass.

Tanjung Bruas Port features an L-shape jetty that can accommodate vessels up to 180.0 metres in size with a ship draft of 10.5 metres. For storage and warehousing, Tanjung Bruas Port offers five warehouses with capacities ranging from 7,000 MT to 150,000 MT for storage of conventional cargo.

As at the LPD, Tanjung Bruas Port offers its services to one shipping line with four port connections. As at the LPD, its terminal has two berths, 225.0 metres of quay length and a maximum depth of 10.5 metres. All of the shipments received at Tanjung Bruas Port is delivered locally and internationally to China, Japan, Korea and Indonesia.

7. BUSINESS OVERVIEW (Cont'd)

The following table describes the key operational data of Tanjung Bruas Port for the FYEs 31 December 2022, 2023, 2024 and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December			1 January to LPD
	2022	2023	2024	2025
Container services				
Capacity (million TEUs) ⁽¹⁾	*	*	*	*
Capacity utilisation ⁽¹⁾	34.1%	10.0%	27.6%	61.2%
Throughput (million TEUs)	*	*	*	*
Transshipment: Import/Export ratio ⁽²⁾	0:100	0:100	0:100	0:100
No. of vessel calls ⁽³⁾	18	6	22	7
Area (hectare)	1.0	1.0	1.0	1.0
No. of container terminals	1	1	1	1
No. of berths	2 ⁽⁷⁾	2 ⁽⁷⁾	2 ⁽⁷⁾	2 ⁽⁷⁾
Quay length (metres)	225.0	225.0	225.0	225.0
No. of ground slots ⁽⁴⁾	322	322	322	322
Berth occupancy rate ⁽⁵⁾	60.0	60.0%	60.0%	60.0%
Productivity (Moves per hour) ⁽⁶⁾	16.5	16.5	16.5	16.5
TEUs per crane	N/A ⁽⁷⁾	N/A ⁽⁷⁾	N/A ⁽⁷⁾	N/A ⁽⁷⁾
TEUs per hectare	17,779	5,194	14,402	11,297

As at LPD:

Size of terminal for existing expansion (hectare)	1.0
Size of terminal for future expansion (hectare)	6.1

Conventional cargo services (excluding RORO cargo)

Capacity (million FWTs) ⁽¹⁾	1.0	1.0	1.0	1.0
Capacity utilisation ⁽¹⁾	46.8%	51.5%	48.4%	50.9%
No. of vessel calls ⁽³⁾	102	86	71	24
No. of berths	2 ⁽⁷⁾	2 ⁽⁷⁾	2 ⁽⁷⁾	2 ⁽⁷⁾
Quay length (metres)	225.0	225.0	225.0	225.0

Notes:

* Less than 0.1.

- (1) Capacity utilisation is presented on an annual basis which is calculated as the number of TEUs/FWTs processed in the year divided by the maximum TEU/FWT capacity for the relevant calendar year multiplied by the number of days in such month. For period shorter than a year, the figure has been apportioned based on the number of days. The capacity shown in the table refers to the maximum capacity, which is the upper limit of cargo throughput a port can handle, considering full utilisation of all infrastructure and resources under ideal conditions with no disruptions. It reflects a scenario where port operations run continuously at peak efficiency, without delays from equipment maintenance, labor limitations or reasonable berth congestion.
- (2) Transshipment: Import/Export ratio is derived by calculating transshipment cargo throughput as a percentage of total container throughput and import/export cargo throughput as a percentage of total container throughput, multiplying each percentage by 100.0, and presenting those two products as a ratio of one to the other.
- (3) A vessel call is one instance of a vessel berthing at a port to receive port-related services (for example, loading/unloading, maintenance). Where we perform both container and conventional cargo handling services on the same vessel during the vessel call, the vessel call is categorised as a container or conventional vessel call based on whether the majority of the vessel's cargo comprises container or conventional cargo. Total number of vessel calls excludes instances where we provide services (such as marine services) to a vessel that enters the water limit of one of our ports, but the vessel does not berth at our port for direct cargo handling services.
- (4) Total number of ground slots include ground slots for both laden and empty containers.
- (5) Berth occupancy rate is the percentage of total time that a container berth is occupied by vessels compared to the total available time.
- (6) Productivity, which is a measure of cargo handling efficiency, is calculated as the total number of moves that are performed on a particular vessel during such vessel's port stay divided by the total working hours of all the cranes working on that particular vessel during the port stay. A "move" is a single instance of transferring or lifting a unit of cargo to unload or load a vessel. Allowable delays such as due to bad weather and shift breaks are excluded from total working hours.
- (7) Tanjung Bruas Port has a total of two berths that handle both container and conventional services. Tanjung Bruas Port does not utilise quay crane; therefore, the data for TEU/crane is not applicable.

7. BUSINESS OVERVIEW (Cont'd)**(vi) Yan STS Port**

Yan STS Port is located at sea approximately five nautical miles from Pulau Bunting, which is an island adjacent to Yan district in Kedah state.

Yan STS Port consists of ten at-sea coordinates within a designated water limit where we are permitted to perform STS services. These approved at-sea locations have water depths of up to 27.5 metres and can accommodate STS for a wide range of vessels, including large crude carriers and membrane-type liquefied natural gas carriers. We are developing Yan STS Port as a hub for STS transfer operations, leveraging its strategic location along the international shipping lane in the northern section of Strait of Malacca. We completed our first STS transfer at sea in 2023.

We are permitted to engage in STS activities at ten coordinates within Yan STS Port at a maximum depth of 30.0 metres. The approved STS activities include break bulk transfer for petrochemical products, emergency STS and lightering (primarily, the transfer of cargo from a larger vessel to a smaller one). We currently intend to submit an application for renewal of our operating approval in the first quarter of 2026.

7.5.3 Our cruise terminals

We provide port facilities and service for cruise ships through our three cruise terminals, namely SPCT, PKCT and LCT. Our cruise terminals are equipped to accommodate a wide range of cruise ships and ferries, and offer amenities such as waiting lounges, retail outlets, and dining options.

The following table describes the key operational data of each of our cruise terminals for the Financial Years Under Review and from 1 January 2025 to the LPD:

Key operating data	FYE 31 December 2022			
	SPCT	PKCT	LCT	Total
Cruise terminal services				
Throughput (million passengers)	0.8	0.3	< 0.1	1.1
No. of berths	3	3	2	8
No. of cruise vessel calls	711	141	44	896
Key operating data	FYE 31 December 2023			
	SPCT	PKCT	LCT	Total
Cruise terminal services				
Throughput (million passengers)	1.5	0.6	< 0.1	2.1
No. of berths	3	3	2	8
No. of cruise vessel calls	857	195	13	1,065
Key operating data	FYE 31 December 2024			
	SPCT	PKCT	LCT	Total
Cruise terminal services				
Throughput (million passengers)	1.0	0.5	< 0.1	1.5
No. of berths	3	3	2	8
No. of cruise vessel calls	893	168	44	1,105
Key operating data	1 January 2025 to LPD			
	SPCT	PKCT	LCT	Total
Cruise terminal services				
Throughput (million passengers)	0.3	< 0.1	< 0.1	0.3
No. of berths	3	3	2	8
No. of cruise vessel calls	52	53	16	121

7. BUSINESS OVERVIEW (Cont'd)

(i) SPCT

PPSB began operating SPCT in 1994. PPSB became our wholly-owned subsidiary in May 2018. Under our management, SPCT expanded in 2021 following a major rebuild.

It features a main berth that is 820.0 metres in length with a water depth of 11.0 metres, allowing it to handle two mega cruise vessels simultaneously with a combined passenger capacity of up to 12,000 at any given time. It also has two inner berths in the north and south. The north inner berth accommodates vessel up to 270.0 metres in length with a depth of 8.5 metres, while the south inner berth accommodates vessels up to 100.0 metres in length with a depth of 5.5 metres.

Located in Penang Island, SPCT is approximately 200.0 metres from George Town, a tourist destination within the UNESCO World Heritage Site, and is approximately 17.0 kilometres from Penang International Airport.

SPCT is equipped with facilities and amenities for passengers and terminal users including check-in counters, customs and immigration facilities, foreign exchange counters, a selection of retail shops, souvenir and gift shops and information centres to assist tourists. It also includes parking spaces for taxis, buses and car rentals. The on-site port police station and port fire and rescue stations provide security and immediate emergency response.

(ii) PKCT

PKCT is located in Port Klang, Selangor state and provides port facilities and services for cruise ships and navy vessels. It is a 50:50 joint venture between us and Westports Holdings Berhad. It operates three berths and is equipped with facilities and amenities for passengers and terminal users including five-storey air-conditioned buildings, link bridges for embarkation and disembarkation, covered walkways connecting the wharf side and terminal, automated teller machines, foreign exchange counters, food and beverage outlets, souvenir and gift shops, and duty-free outlets. Open parking space is also available for cars and buses as well as counters for taxi service.

PKCT is located in Port Klang and is in close proximity to Kuala Lumpur, the capital city of Malaysia. It is approximately 72.0 kilometres away from the Kuala Lumpur International Airport and is accessible from Kuala Lumpur via the North-South Express Central Link and the Shah Alam Expressway (the KESAS Expressway).

As at the LPD, PKCT had three berths, including a 450.0 metres-long main berth with a water depth of 14.0 metres from chart datum capable of hosting the large cruise ships. It also has two inner berths, which are 210.0 metres and 195.0 metres in length with depths of 10.0 metres from chart datum. These inner berths are also used for smaller passenger vessels.

(iii) LCT

LCT is a cruise terminal for cruise ships travelling to Langkawi and the nearby central area in Kuah.

LCT is located near the town of Kuah on Langkawi Island, which is part of the state of Kedah in Malaysia. It is approximately 13.1 kilometres away from the Langkawi International Airport and is accessible via the Jalan Padang Matsirat, Jalan Pantai Kok, and Jalan Kuala Muda roads. The terminal serves as a key entry point for cruise passengers visiting the island, offering access to Langkawi's beaches, natural attractions, and cultural sites.

7. BUSINESS OVERVIEW (Cont'd)

We acquired Langkawi CT in February 2023, and as at the LPD, it had a main berth that is 370.0 metres in length, with a water depth of 11.0 metres making it capable of handling large cruise vessels. Its facilities include cruise jetty for berthing of cruise ships and passenger walkways. It also has one inner berth which is 270.0 metres in length for smaller passenger vessels.

7.5.4 Our expansion projects and plans

As a port operator, we focus on maintaining and increasing capacity and efficiency through regular maintenance and upgrading of our port infrastructure, equipment, and system. From time to time, we also pursue new development projects within our port areas.

Across our ports, we are investing in new equipment, including RTGs and quay cranes, to enhance our handling capabilities, operation efficiency and reduce environmental impact. For instance, PTP has a fleet of electrified RTGs, demonstrating a commitment to sustainability and operational efficiency.

We have also been making investments in technology, such as the upgrading and enhancement of terminal operating systems, and implementation of group-wide enterprise resource planning systems (covering human resource, accounting and procurement functions), implementation of a vessel traffic management information system, a facilities supervisory control and data acquisition system including automatic meter reader for monitoring consumption data from various utility meters, and the use of CCTVs and drones for port surveillance. These initiatives are designed to further enhance efficiency of our operations as well as safety and operational oversight across our ports.

Described below are the major/key expansion projects at each of our ports during the Financial Years Under Review and our major/key current expansion plans:

(i) PTP

Major/key expansion projects during the Financial Years Under Review

During the Financial Years Under Review, PTP carried out equipment replacement and additions for its crane units. PTP replaced seven quay cranes in FYE 31 December 2022 and three in FYE 31 December 2023. PTP also replaced 11 electrified RTGs in FYE 31 December 2022 and retired nine units of RTGs in 2024. Additionally, 25 electrified RTGs were added in FYE 31 December 2024, increasing the handling capacity of PTP by 0.7 million TEUs per annum, to accommodate the projected additional vessels. Total capital expenditure spent for the aforesaid equipment replacement and additions was approximately RM663.7 million, which was funded by internally generated funds from operations.

In the FYE 31 December 2022, PTP also completed expansion projects at three blocks in its container yard, resulting in the addition of 12,240 TEUs of storage capacity. The cost of this project was RM37.0 million, which was funded by internally generated funds from operations.

Additionally, PTP invested approximately RM8.1 million up to FYE 31 December 2024 in its terminal operating system and digitalisation solutions, which was funded entirely through internally generated funds from operations.

Current major/key expansion plans

PTP's expansion strategy is focused on optimising its current footprint to achieve a maximum capacity of 16.3 million TEUs by 2029 through the purchase of port equipment and the construction of a new berth. Other capacity

7. BUSINESS OVERVIEW (Cont'd)

expansion initiatives include the development of Pelepas Free Zone's Phase 3.

An additional 15 quay cranes, where six units are scheduled for delivery in FYE 31 December 2025 and nine units for delivery in FYE 31 December 2026, to provide flexibility in supporting ultra large container vessels and feeder vessels. A further 58 electrified RTGs are scheduled for delivery between 2025 and 2026. The full delivery of 15 quay cranes and 58 electrified RTGs are expected to increase the capacity of PTP to 15.1 million TEUs (from the safe operating capacity of 13.5 million TEUs for the FYE 31 December 2024). Additionally, PTP is scheduled to replace 48 electrified RTGs, which will be delivered in batches during the FYEs 31 December 2025 and 31 December 2026. There will also be an addition of prime movers and trailers. The estimated cost for this port equipment upgrade is approximately RM2.8 billion.

PTP plans to add a new berth to its port, referred to as "Berth 0", in an area of undeveloped land bank at PTP. The berth is planned to span approximately 360 metres and 6.0 hectares of container yard and offer similar facilities as the existing PTP terminal. Berth 0 is expected to increase PTP's handling capacity by 0.9 million TEUs. Construction is planned to commence in the first quarter of 2026. In total, upon the full delivery of the aforementioned cranes and completion of Berth 0, we expect PTP's total handling capacity to increase from its current safe operating capacity of 13.5 million TEUs to 15.9 million TEUs. The estimated cost of this project is approximately RM537.9 million.

The new development of the Pelepas Free Zone's Phase 3 aims to cater to the demand for business expansion from both existing and new customers. The target segments include customers such as warehouse operators and manufacturers with high container volumes. We anticipate completing Phase 3 of the Pelepas Free Zone's development by mid-2028 for plot 1, mid-2029 for plot 2, and mid-2030 for plot 3. The estimated cost of the new development is approximately RM366.9 million.

Other than the above, PTP has planned a series of infrastructure improvements through to 2029 to support its overall expansion initiatives. These improvements encompass upgrades such as container yard blocks, wharf road enhancements, expansions to RTG maintenance bays and workshop, as well as sedimentation works and various other facility enhancements. In addition, as part of its ongoing technology and digitalisation initiatives, PTP plans to invest RM70.3 million over the next five years to further enhance its operating systems and digitalisation solutions. Further, the estimated total cost of these aforesaid plans is approximately RM1.2 billion.

The expected cost of the above initiatives under this section of current major/key expansion plans is approximately RM4.9 billion, which is expected to be funded through internally generated funds from operations and Sukuk issuances in approximately equal proportion. It is expected to incur approximately RM2.1 billion by FYE 31 December 2025, approximately RM1.5 billion in FYE 31 December 2026, with the remaining amount to be incurred thereafter.

Pelepas Free Zone also comprises areas referred to as Phase 4 and Phase 5, which cover 156.4 hectares and 101.2 hectares, respectively. These areas are not the subject of current expansion plans and are held for future development.

(ii) *Johor Port*

Major/key expansion projects during the Financial Years Under Review

Johor Port's expansion projects during the Financial Years Under Review included initiatives that were primarily focused on expanding the port's

7. BUSINESS OVERVIEW (Cont'd)

container yard and acquisition of additional handling equipment, including quay cranes, RTGs, and terminal tractors implemented between the FYEs 31 December 2020 and 2023.

Johor Port completed yard expansions in FYE 31 December 2021 and acquired additional handling equipment such as quay cranes, RTGs, and terminal tractors between FYE 31 December 2020 and FYE 31 December 2023. Together, these projects increased Johor Port's container handling capacity from 1.2 million TEUs to 1.5 million TEUs per annum. The cost of these projects was approximately RM89.0 million, which was funded through internally generated funds from operations.

In the container yard expansion, 660 new ground slots were added across 2.0 hectares, increasing the port's total ground slots to 6,513. Additionally, 72 new power sockets were added in the reefer container yard, increasing the total to 216 power sockets. For wharf operations, one new quay crane was added to increase the port's total quay cranes to nine units. To bolster the wharf-to-yard transfer operations, 20 new terminal tractors were introduced, expanding the port's fleet to 62 units. Finally, four new RTGs were added, bringing the port's total to 30 RTGs as at the LPD.

In the FYE 31 December 2023, Johor Port further increased its storage capacity by merging several of its existing warehouses resulting to 104,000 sq. ft. of additional warehouse space. This increased the port's total warehouse space to 3.17 million sq. ft.. The cost of this project was RM14.0 million, which was funded through internally generated funds from operations.

Current major/key expansion plans

Johor Port is expanding its liquid cargo handling capacity by constructing two additional berths extending from the existing jetties. The project is expected to increase the port's capacity from 15.0 million to 20.0 million FWTs per annum at an estimated cost of RM140.0 million. The project commenced in 2023 and completed in June 2025.

Johor Port is also rehabilitating the jetty structures at its existing liquid jetties. The conditional assessment and repair schemes have been completed, and the tender process for rehabilitation work is currently in progress. The estimated cost of the project is RM55.0 million.

Johor Port also expects to receive two new quay cranes in August 2025 to replace existing units at a cost of approximately RM66.7 million. Additionally, the expected upgrade of its terminal operating system by the end of 2026 and the implementation of its enterprise resource planning system in February 2025 are expected to cost approximately RM23.0 million.

In addition, Johor Port also plans to replace other existing aging equipment from FYEs 31 December 2025 to 2029, such as luffing cranes, one bulk gantry crane, two container reach stackers, three quay cranes, one continuous unloader, and 14 RTGs for a total cost of RM372.0 million approximately. The pipe conveyor system and wharf conveyor system also are expected to be upgraded with an estimated cost of RM63.0 million. Additionally, Johor Port plans to develop a new container yard at a cost of approximately RM130.0 million; and to construct a new custom export examination area, to undertake rehabilitation works of marine structure at container terminal wharves, maintenance of dredging and rehabilitate existing roads for a total cost of approximately RM150.0 million.

From FYEs 31 December 2025 to 2029, Johor Port has anticipated capital expenditure in the amount of RM1.0 billion, including the above initiatives under this section of current major/key expansion plans. Johor Port expects to fund

7. BUSINESS OVERVIEW (Cont'd)

these capital expenditures through Sukuk issuances of approximately RM400.0 million and bank borrowings of approximately RM160.0 million, with the remaining amount to be covered by internally generated funds from operations. It is expected to incur approximately RM252.0 million by FYE 31 December 2025, approximately RM270.0 million in FYE 31 December 2026, with the remaining amount to be incurred thereafter.

(iii) *Northport*

Major/key expansion projects during the Financial Years Under Review

In the FYE 31 December 2023, Northport completed the expansion of container yard block “J”, which increased container capacity from 5.0 million to 5.6 million TEUs per annum. During the year, 11 new electrified RTGs and 23 diesel RTGs were delivered to replace aging units and further increase capacity. The cost of these projects was RM347.8 million, which was funded through internally generated funds from operations.

In the FYE 31 December 2024, Northport completed the expansion of container yard block “K”, which increased container capacity from 5.6 million to 6.2 million TEUs per annum. As part of the expansion, Northport is acquiring 12 new electrified RTGs through the end of the second quarter of 2025. The cost of these projects was RM189.8 million, which was funded through internally generated funds from operations.

Current major/key expansion plans

For the FYEs 31 December 2025 to 2029, Northport’s expansion plan includes projects such as wharf extension and upgrading and land reclamation for yard expansion, which is expected to provide additional capacity of 400,000 FWTs per annum once completed by 2027. The estimated cost of this project is RM383.7 million.

Additionally, the plan involves the purchase of new equipment to replace aging units, including quay cranes, level luffing cranes, reach stackers, empty stackers, RTGs, prime movers with electrification, trailers and the digitalisation and automation of wharf and gate operations. The estimated cost of this initiative is approximately RM1.4 billion.

The expected cost of these projects under this section of current major/key expansion plans is RM1.7 billion, which is expected to be funded through Sukuk issuances (up to RM1.0 billion available), with the remaining amount of RM0.7 billion to be funded by internally generated funds from operations. It is expected to incur approximately RM302.7 million by FYE 31 December 2025, approximately RM475.5 million in FYE 31 December 2026, with the remaining amount to be incurred thereafter.

(iv) *Penang Port*

Major/key expansion projects during the Financial Years Under Review

During the Financial Years Under Review, Penang Port upgraded and modernised terminals and introduced a new fleet of ferries. Penang Port launched four new combined-mode ferries, namely *Teluk Bahang*, *Teluk Kumbar*, *Teluk Kampi*, and *Teluk Duyung*, which cater to both foot passengers and light vehicles such as motorcycles. These ferries began operations on 7 August 2023. The cost of these four new ferries amounted to RM69.0 million, with RM39.0 million funded through internally generated funds from operations and a RM30.0 million grant from the Government.

7. BUSINESS OVERVIEW (Cont'd)

To facilitate these new ferry services, Penang Port undertook terminal modifications and upgrades at *Pangkalan Raja Tun Uda* and *Pangkalan Sultan Abdul Halim*. These modifications included upgrading terminal buildings, berths and amenities to ensure passengers comfort and the new ferries, as well as installing new ticketing machines, air-conditioned waiting area, free WIFI and CCTVs. The overall upgrading works were completed in the FYE 31 December 2023, with a total cost of RM29.2 million and funded through internally generated funds from operations.

Current major/key expansion plans

PPSB is undertaking port equipment and IT system upgrades to enhance service levels and meet growing demands. This includes the purchase of four hybrid RTGs as part of the RTG replacement program, with an approximate capital expenditure of RM39.4 million. These units were delivered in June 2025 and were funded through internally generated funds from operations.

PPSB is investing an approximate RM35.0 million in both a new enterprise resource planning system and terminal operating system, which are targeted to go live in 2026 and 2027, respectively, funded through internally generated funds from operations.

Additionally, from FYEs 31 December 2025 to 2029, Penang Port plans to undertake the following key projects:

- (a) to increase the berth capacity at its container terminal from 2.3 million to 2.7 million TEUs by purchasing two quay cranes at an estimated cost of RM80.0 million;
- (b) to construct and develop a new container yard and port land to complement the increase in berth capacity to 2.7 million TEUs at an estimated cost of RM440.0 million;
- (c) to further increase its operational capacity at Prai Bulk Cargo Terminal by purchasing two units of electrified mobile harbour cranes at an estimated cost of RM30.0 million, to support the anticipated increase in conventional cargo maximum capacity from 14.4 million FWTs to 16.9 million FWTs; and
- (d) to provide the electrical power to the aforesaid two units of electrified mobile harbour crane, Penang Port is undertaking an infrastructure upgrade for electrification project at Prai Bulk Cargo Terminal at an estimated cost of RM14.0 million.

The total estimated cost of the above projects (a) to (d) of RM564.0 million is expected to be funded primarily through internally generated funds from operations and potential Sukuk issuances. It is expected to incur approximately RM1.0 million by FYE 31 December 2025, approximately RM14.0 million in FYE 31 December 2026, with the remaining amount to be incurred thereafter.

(v) *Tanjung Bruas Port*

Major/key expansion projects during the Financial Years Under Review

At the end of the FYE 31 December 2021, Tanjung Bruas Port completed the extension of its 50-metre jetty at a cost of RM14.4 million funded through bank borrowings, increasing its capacity from handling of one to two vessels simultaneously.

In FYE 31 December 2022, Tanjung Bruas Port completed the development project of a new container yard. As a result, the port added 172 container

7. BUSINESS OVERVIEW (Cont'd)

ground slots for a total of 322 ground slots, which increased the yard storage capacity from 22,800 TEUs to 52,200 TEUs per annum. The cost of these projects was RM2.2 million, which was funded through internally generated funds from operations.

Current major/key expansion plans

From FYEs 31 December 2025 to 2029, Tanjung Bruas Port's anticipated capital expenditure totals RM29.1 million for its overall expansion. In FYE 31 December 2025, RM22.1 million in capital expenditure is planned for port development, which consists of the construction of an open yard and a warehouse, each 50,000 sq. ft. in size. In addition, RM3.0 million is budgeted for the refurbishment of a warehouse used for coal storage. From FYEs 31 December 2025 to 2029, the total budgeted maintenance capital expenditure is RM1.3 million, which includes fender replacement, renovation of office blocks, roof replacement, upgrading main switch substation, upgrading storage room for storage filling, upgrading of the drainage system and underground services, and rehabilitation of existing container platform. From FYEs 31 December 2025 to 2029, Tanjung Bruas Port has also budgeted capital expenditure for equipment, cargo handling equipment, IT system and infrastructure, and the purchase of others small value capital expenditures amounting to approximately RM2.7 million in total.

The estimated cost of these projects under this section of current major/key expansion plans is RM29.1 million which is expected to be funded through a mixture of internal generated funds and external financing facility. It is expected to incur approximately RM6.9 million by FYE 31 December 2025, approximately RM21.3 million in FYE 31 December 2026, with the remaining amount to be incurred thereafter.

(vi) *SPCT*

Major/key expansion projects during the Financial Years Under Review

There were no capital expenditures for major/key expansion projects for the Financial Years Under Review, as SPCT recently completed a major expansion project in the FYE 31 December 2021 to extend the length of its berth at a cost of RM100.0 million.

Current major/key expansion plans

SPCT is undertaking an existing terminal building upgrade project. The project is estimated to cost up to RM55.0 million, which is expected to be funded through internally generated funds. The project is still in the preliminary stage and is targeted for completion by early 2028.

SPCT is also in the initial stages of developing a shore-power system and redeveloping the surrounding areas at SPCT. These projects are in their initial planning stages.

(vii) *PKCT*

Major/key expansion projects during the Financial Years Under Review

There were no capital expenditures for major/key expansion projects at PKCT for the Financial Years Under Review.

Current major/key expansion plans

As at the LPD, there is no major/key expansion plan being implemented at PKCT.

7. BUSINESS OVERVIEW (Cont'd)

(viii) *LCT*

Major/key expansion projects during the Financial Years Under Review

There were no capital expenditures for major/key expansion projects at LCT for the Financial Years Under Review.

Current major/key expansion plans

As at the LPD, there is no major/key expansion plan being implemented or contemplated at LCT.

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7. BUSINESS OVERVIEW (Cont'd)

Summarised below are the major/key expansion projects at each of our ports during the Financial Years Under Review and our major/key current expansion plans:

No.	Major/key expansion projects or plans	Year/expected year of commencement	Year/expected year of completion	Cost RM	Source of funding	Expected increase in throughput/ improvements
		FYE 31 December	FYE 31 December			
	PTP					
1.	Equipment replacement and additions for its crane units - Seven quay cranes - Three quay cranes - 11 electrified RTGs - 25 electrified RTGs	2021 2022 2021 2022	2022 2023 2022 2024	663.7 million	Internally generated funds from operations	Increased container handling capacity of PTP by 0.7 million TEUs per annum
2.	Expansion projects at three blocks in its container yard	2021	2022	37.0 million		Addition of 12,240 TEUs of storage capacity
3.	Terminal operating system and digitalisation solutions	2024	2024	8.1 million		Supporting overall operations
4.	Equipment replacement and additions for its crane units - 15 quay cranes - 58 electrified RTGs - 48 electrified RTGs - Prime movers and trailers	2024 2025 2023 2024	2025 - 2026 2025 – 2026 2025 – 2026 2025 – 2026	2.8 billion	Internally generated funds from operations and Sukuk issuances in approximately equal proportion	Upon the full delivery of the aforementioned cranes and completion of Berth 0, PTP's total handling capacity expected to increase from its current maximum capacity of 14.0 million TEUs to 16.3 million TEUs
5.	To add a new berth to its port, referred to as "Berth 0"	2026	2028	537.9 million		
6.	To develop Pelepas Free Zone's Phase 3	2026	2030	366.9 million		To cater to the demand from both existing and new customers
7.	Various infrastructure improvements and continuous enhancing of terminal operating systems and digitalisation solutions	2024	2029	1.2 billion		Supporting overall operations
	Johor Port					
8.	- Completed yard expansions - Additional handling equipment including a quay crane, four RTGs, and 20 terminal tractors	2020 2019	2021 2020 - 2023	89.0 million	Internally generated funds from operations	Increased container handling capacity from 1.2 million TEUs to 1.5 million TEUs per annum

7. BUSINESS OVERVIEW (Cont'd)

No.	Major/key expansion projects or plans	Year/expected year of commencement	Year/expected year of completion	Cost RM	Source of funding	Expected increase in throughput/ improvements
		FYE 31 December	FYE 31 December			
9.	Merged several of its existing warehouses	2022	2023	14.0 million	Internally generated funds from operations	104,000 sq. ft. of additional warehouse space
10.	Constructed two additional berths	2023	2025	140.0 million	Internally generated funds from operations, Sukuk issuances and bank borrowings	Increased capacity from 15.0 million to 20.0 million FWTs per annum
11.	Rehabilitating the jetty structures at its existing liquid jetties	2026	2028	55.0 million		Not applicable as they are rehabilitation
12.	Replacement of two quay cranes	2024	2025	66.7 million		Not applicable as they are replacement
13.	Upgrade of its terminal operating system and implementation of enterprise resource planning system	2022	2026	23.0 million		Supporting overall operations
14.	Replacement of other existing aging equipment from FYEs 31 December 2025 to 2029, such as luffing cranes, one bulk gantry crane, two container reach stackers, three quay cranes, one continuous unloader, and 14 RTGs	2025	2029	372.0 million		Not applicable as they are replacement
15.	Upgrade of pipe conveyor system and wharf conveyor system	2025	2026	63.0 million		Not applicable as they are upgrade
16.	To develop a new container yard	2025	2029	130.0 million		The container yard expansion is expected to increase container handling capacity from 1.5 million TEUs to 1.8 million TEUs
17.	To construct a new custom export examination area, rehabilitation works of marine structure at container terminal wharves, maintenance dredging and rehabilitation of existing roads	2025	2029	150.0 million		Supporting overall operations

7. BUSINESS OVERVIEW (Cont'd)

No.	Major/key expansion projects or plans	Year/expected year of commencement	Year/expected year of completion	Cost RM	Source of funding	Expected increase in throughput/ improvements
		FYE 31 December	FYE 31 December			
	Northport					
18.	- Completed expansion of container yard block "J" - Addition of 11 electrified RTGs and 23 diesel RTGs	2022 2021	2023 2023	347.8 million	Internally generated funds from operations	Increased container handling capacity from 5.0 million to 5.6 million TEUs per annum
19.	- Completed expansion of container yard block "K" - Addition of 12 electrified RTGs	2023 2023	2024 2025	189.8 million	Internally generated funds from operations	Increased container handling capacity from 5.6 million to 6.2 million TEUs per annum
20.	Wharf extension and upgrading and land reclamation for yard expansion	2025	2027	383.7 million	Sukuk issuance and internally generated funds from operations	Expected to increase additional capacity of 400,000 FWTs per annum
21.	New equipment to replace aging units, including quay cranes, level luffing cranes, reach stackers, empty stackers, RTGs, prime movers with electrification, trailers and the digitalisation and automation of wharf and gate operations	2025	2029	1.4 billion		Not applicable as they are replacement
	Penang Port					
22.	Upgraded and modernised terminals and launched four new combined-mode ferries	2022	2023	69.0 million	Internally generated funds from operations and grant from the Government	Modernisation of terminals for service reliability
23.	Terminal modifications and upgrades at <i>Pangkalan Raja Tun Uda</i> and <i>Pangkalan Sultan Abdul Halim</i>	2022	2023	29.2 million	Internally generated funds from operations	Upgraded terminal for passengers comfort
24.	Addition of four hybrid RTGs	2023	2025	39.4 million	Internally generated funds from operations	Not applicable as they are replacement

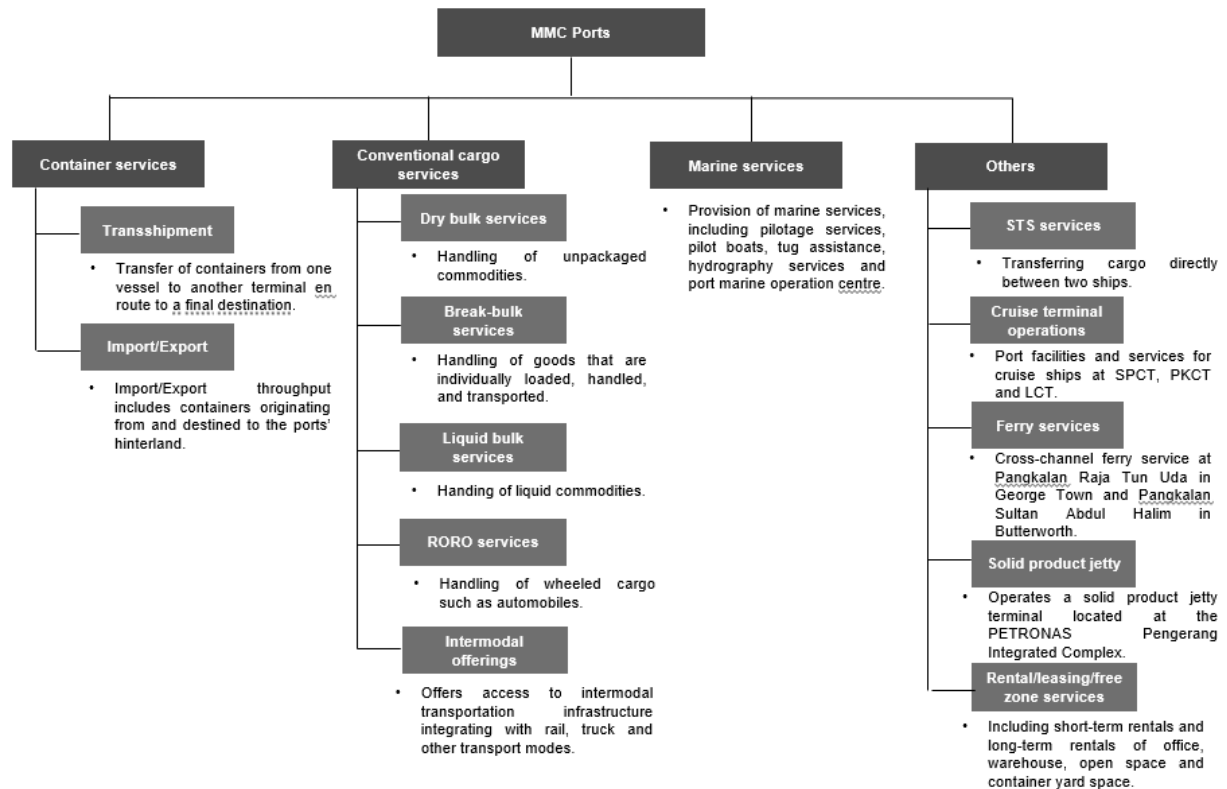
7. BUSINESS OVERVIEW (Cont'd)

No.	Major/key expansion projects or plans	Year/expected year of commencement	Year/expected year of completion	Cost RM	Source of funding	Expected increase in throughput/ improvements
		FYE 31 December	FYE 31 December			
25.	A new enterprise resource planning system and terminal operating system	2020	2026 – 2027	35.0 million	Internally generated funds from operations	Supporting overall operations
26.	Addition of two quay cranes	2027	2028	80.0 million	Internally generated funds from operations and potential Sukuk issuances	Expected to increase container handling capacity from 2.3 million to 2.7 million TEUs per annum
27.	To develop a new container yard	2028	2031	440.0 million		To support the increase in container handling capacity as mentioned in previous item
28.	Addition of two electrified mobile harbour cranes	2025	2027	30.0 million		To support the increase in conventional cargo capacity from 14.4 million FWTs to 16.9 million FWTs
29.	Infrastructure upgrade for electrification project	2026	2027	14.0 million		Supporting overall operations
	Tanjung Bruas Port					
30.	Completed the extension of its 50-metre jetty	2020	2021	14.4 million	Bank borrowings	Increased its capacity from handling of one to two vessels simultaneously
31.	Completed the development project of a new container yard	2022	2022	2.2 million	Internally generated funds from operations	Increased the yard storage capacity from 22,800 TEUs to 52,200 TEUs per annum
32.	Construction of an open yard and a warehouse	2025	2026	22.1 million	Internal generated funds and external financing facility	Each 50,000 sq. ft. in size
33.	General maintenance capital expenditure	2025	2025	1.3 million		Supporting overall operations
34.	Refurbishment of a warehouse used for coal storage	2025	2025	3.0 million		Not applicable as it is refurbishment
35.	Capital expenditure for equipment, cargo handling equipment, IT system and infrastructure, and the purchase of others small value capital expenditures	2025	2029	2.7 million		Supporting overall operations

7. BUSINESS OVERVIEW (Cont'd)

7.6 OUR SERVICES

We offer the following business services at our ports and cruise terminals: (i) container services, (ii) conventional cargo services, (iii) marine services, and (iv) other services.



As part of both our container and conventional cargo services, we provide the following services:

- Shipper services – Support functions to shippers, including freight forwarding, customs brokerage, cargo handling, documentation, insurance, and tracking.
- Port operation services – Cargo movement services within the terminal, freight station services, storage, inter-terminal transfers, and on-dock depots.
- Security– Port security services by a dedicated police auxiliary force through 24/7 surveillance systems, security patrols, marine patrol vessels, and aerial drone monitoring.
- Fire and rescue – Emergency response services, including firefighting, rescue, paramedic, fire prevention services and ambulances.
- Stevedoring – Loading, unloading and storing cargo on or off a ship in a port.
- Fresh water supply – Supply of fresh water upon request by the vessel.

7. BUSINESS OVERVIEW (Cont'd)

The following table shows our revenue by segment for the Financial Years Under Review.

	FYE 31 December					
	2022		2023		2024	
	RM'000	(%)	RM'000	(%)	RM'000	(%)
Container	2,596,468	64.0	2,539,425	64.1	2,873,006	66.0
Conventional	402,621	9.9	402,011	10.2	438,553	10.1
Marine	467,055	11.5	492,481	12.4	511,394	11.7
Others ⁽¹⁾	189,885	4.7	195,029	4.9	209,679	4.8
Port and terminal operating revenue	3,656,029	90.1	3,628,946	91.6	4,032,632	92.6
Construction contracts ⁽²⁾	187,243	4.6	114,249	2.9	227,228	5.2
Logistics and freight forwarding ⁽³⁾	140,700	3.5	140,665	3.6	26,665	0.6
Rental income ⁽⁴⁾	74,106	1.8	77,180	1.9	69,982	1.6
Total revenue	4,058,078	100.0	3,961,040	100.0	4,356,507	100.0

Notes:

- (1) Other revenue primarily includes revenue from STS services and cruise, ferry and solid product jetty terminal.
- (2) Included in revenue is Construction Contract Revenue and this relates to revenue recorded in accordance with MFRS 15 – Revenue from Contract with Customers as stated in IC Interpretation 12 in relation to the construction or upgrade of the port and terminal infrastructure under concession. In accordance with IC Interpretation 12, because we do not have right to control the use of the ports and terminals, and instead have access to operate the ports and terminals pursuant to long-term concession arrangements, the ports and terminals infrastructure within the scope of IC Interpretation 12 shall not be recognised as property, plant and equipment on our consolidated statements of financial position. Instead, as the operator of the ports and terminals under concession arrangements, we have the right to charge our customers for using the ports and terminals infrastructure, as such, the construction or upgrade of the port and terminal infrastructure under concession are to be recognised on our consolidated statements of financial position as concession assets, being intangible asset received for the right to charge users. As we perform the construction of ports/terminals developments or upgrades, we recognise Construction Contract Revenue in our consolidated statements of comprehensive income in amounts that generally correspond to increased concession assets. We engage third parties to carry out most of our developments or upgrading works, and therefore our Construction Contract Revenue reported approximates our Construction Contract Costs.
- (3) Refers to revenue from its former subsidiary, Kontena Nasional, which was fully divested on 29 February 2024.
- (4) Rental income relates to the leasing of other warehouses to the tenants.

7.6.1 Container services

We provide container services at all five of our sea ports. In particular, PTP's operations are primarily focused on container services. Our container services offering is designed to facilitate the efficient handling and management of containerised cargo by loading and unloading of containers between vessels and the port. All of our ports include container yards for storage of containers.

We offer customs clearance services that comply with international and local regulations. We also provide port logistics and supply chain support for our port customers and provide an area for logistics services outside our ports.

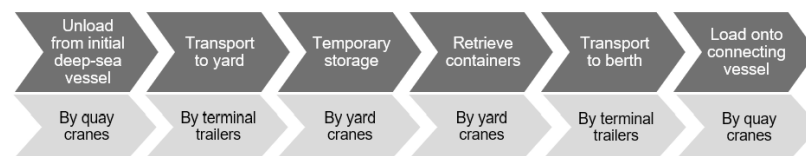
In the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, our container services accounted for approximately 64.0%, 64.1%, and 66.0% of our total revenue, respectively.

7. BUSINESS OVERVIEW (Cont'd)

(i) Transshipment

We provide transshipment services at PTP, Johor Port, Northport and Penang Port. Transshipment refers to the transfer of containers from one vessel to another at the terminal en route to a final destination. There are broadly two types of transshipment flow: (i) vessel-to-vessel transshipment, which involves the transfer of containers from one deep-sea container vessel to another; and (ii) vessel-to-barge transshipment, which involves the transfer of containers from deep-water container vessels to barges or smaller feeder vessels, or vice versa. Transshipment throughput is critical to utilisation, particularly to ports located in a region with high volume vessel access, such as the Strait of Malacca.

The flow of vessel-to-vessel transshipment is illustrated below:



The flow of vessel-to-barge transshipment is illustrated below:



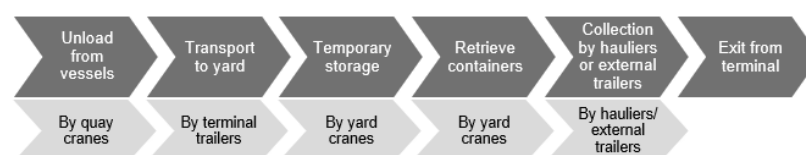
(ii) Import/Export

We handle import/export throughput at all five ports. Import/export throughput includes containers originating from and destined to the ports' hinterland and differs from transshipment throughput. Import throughput is usually handled by a terminal close to the point of consumption or production and is typically meant for local consumption, while export throughput is products that are being produced locally and exported to other markets. Import/export generally provides higher tariffs per move than transshipment and provides better margins for the container terminal operator. In addition, there is also the potential for earning incremental revenue from ancillary services such as inspection, fumigation, delivery, cleaning and repair for import/export containers.

- *Import of containers*

Import containers are unloaded from vessels by quay cranes and placed on terminal trailers which operate within our terminals. These trailers transport the containers to the yard, and the containers are placed by yard cranes into temporary storage. The containers remain in storage until the yard cranes retrieve them for collection by hauliers, or external trailers, in service of the shippers, which transport these containers out of our terminals.

The flow of import containers is illustrated below:

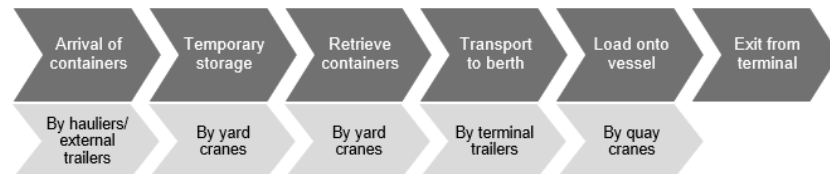


7. BUSINESS OVERVIEW (Cont'd)

- *Export of containers*

Export containers generally follow the same sequence as import containers but in reverse. The containers arrive on hauliers or external trailers through the terminal gate and are held in temporary storage until their designated vessel arrives. Thereafter, these containers are retrieved from storage, taken by terminal trailers to the berth and loaded by the quay cranes onto vessels.

The flow of export containers is illustrated below:



7.6.2 Conventional cargo services

We primarily offer conventional cargo services at Johor Port, Northport, Penang Port and Tanjung Bruas Port. Our various types of conventional cargo services are described below.

(i) *Dry bulk services*

A significant portion of our dry bulk cargo throughput is driven by international trade, particularly imports into Malaysia. Factors such as cargo type, berthing operations, port traffic, and equipment capacity influence berth utilisation and overall cargo handling. We manage large volumes of unpackaged commodities, including fertilisers, coal, cement, grains, minerals, and cocoa, supported by our on-site storage facilities.

(ii) *Break bulk services*

Break bulk services cater specialised break bulk cargo handling services as part of port operations. Break bulk cargo refers to goods that are individually loaded, handled, and transported, typically including items like steel, timber, machinery, and other oversized or heavy-lift cargo that cannot be containerised. We have storage areas designed to accommodate these oversized and irregularly shaped goods, typically at our open yard storage facilities.

(iii) *Liquid bulk services*

Our liquid bulk services focus on the safe transportation of liquid commodities, including oil, chemicals, and liquefied natural gas. We provide the berth and basic infrastructure such as pipeline racks for our tank farm operators to ensure efficient transfer from/to their tank farm facilities. By leveraging advanced technologies and stringent safety protocols, we deliver reliable solutions that minimise risk and maximise efficiency. We adhere to applicable safety and environmental protocols to manage the risks associated with handling hazardous liquids. We also offer liquid bulk storage at certain ports.

(iv) *RORO services*

We offer RORO services to our customers. Our RORO facilities are designed to accommodate vessels that carry wheeled cargo, such as automobiles. The RORO terminal facilities cater to vehicles such as cars, trucks and excavators which are not containerised.

7. BUSINESS OVERVIEW (Cont'd)

(v) *Intermodal offerings*

We also offer access to intermodal transportation infrastructure, integrating with rail, truck, and other transport modes to facilitate cargo movement. Utilising tracking and monitoring technologies, we offer updates on container locations and status, for operational transparency and efficiency.

In the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, our conventional services accounted for approximately 9.9%, 10.2%, and 10.1% of our total revenue, respectively.

7.6.3 Marine services

We provide marine services, including 24-hour pilotage and coordination of all necessary port services to ensure the safe and efficient movement of vessels within the port limits. We offer pilotage services with experienced pilots who are knowledgeable about local conditions, guiding ships safely into and out of the port and within the port water limits. We provide tug assistance via tugboats, which aid in manoeuvring large vessels during berthing, unberthing, and navigation within restricted areas. At PTP, two anchorage areas are available for vessel anchorage. In Johor Port, we also provide anchorage and layup areas. In Tanjung Bruas Port, we provide support services for STS through two dedicated tugboats as at the LPD.

Our mooring services ensure vessels are securely fastened to berths. We also provide bunkering services, supplying various types of fuel to ships while ensuring strict compliance with environmental regulations. Our waste management services handle the collection and treatment of waste generated by vessels, including oil and sewage, in adherence to environmental standards.

We provide a range of marine services to ensure the safe and efficient movement of vessels within our port limits as set out below.

(i) *Pilotage services*

Each vessel arriving or departing at the port is guided by our trained and knowledgeable staff, who are familiar with local waters, tidal patterns, and navigational challenges. These pilots use real-time data and local expertise to ensure safe navigation, avoiding hazards and adhering to operational schedules.

(ii) *Pilot boats*

Pilotage operations are supported by pilot boats designed for the safe transfer of pilots to and from ships. These boats are maintained to facilitate the effective execution of pilotage services and help vessels adhere to schedules.

(iii) *Tug assistance*

A fleet of tugboats is available at several of our ports to assist with vessel handling during berthing, unberthing, and movements within restricted waters. Operated by trained crews, these tugboats assist various vessel types, including container ships, tankers, and cruise liners, ensuring safe and efficient operations.

(iv) *Hydrography services*

The hydrography unit conducts hydrographic surveys using multibeam echosounders. Monthly terminal surveys, quarterly channel surveys, and additional surveys as needed are performed to ensure safe navigation and operational efficiency within port limits.

7. BUSINESS OVERVIEW (Cont'd)

(v) *Port marine operation centre*

The port marine operation centre (referred to as vessel traffic management system at PTP) operates 24/7 to coordinate vessel movements, monitor maritime traffic, and ensure compliance with safety and regulatory requirements. This central hub supports operational efficiency and real-time decision-making for port operations.

In the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, our marine services accounted for approximately 11.5%, 12.4%, and 11.7% of our total revenue, respectively.

7.6.4 Other services

Our other services include (i) STS services; (ii) cruise terminal operations; (iii) ferry services; (iv) solid product jetty operations; and (v) rental/leasing/free zone services.

(i) *STS services*

We offer STS services at Tanjung Bruas Port and Yan STS Port. STS refer to the process of transferring cargo directly between two ships rather than unloading the cargo to a terminal or port facility.

(ii) *Cruise terminal operations*

We provide port facilities and services for cruise ships at SPCT, PKCT and LCT, catering to the needs of passenger vessels to assist them in providing services to tourists.

Our facilities are equipped to accommodate a wide range of cruise ships and ferries, offering seamless docking and efficient turnaround times. We provide modern terminals with amenities such as waiting lounges, retail outlets, and dining options.

Our services include embarkation and disembarkation processes, supported by security and customs procedures to ensure a smooth flow of passengers. We also offer logistical support for cruise operators, including provisioning, waste management, and maintenance services, ensuring vessels are fully equipped and ready for their journeys. .

(iii) *Ferry services*

PPSB operates a cross-channel ferry service between George Town on the island of Penang and Butterworth on the mainland, as a complement to the two existing bridges connecting the two terminals of *Pangkalan Raja Tun Uda* in George Town and *Pangkalan Sultan Abdul Halim* in Butterworth.

As at the LPD, our ferry service utilises four new ferries acquired in 2023, providing rides lasting 10 to 12 minutes between the above-mentioned locations. The ferries are built to carry 150 people and 50 two-wheelers and are equipped with air-conditioned passenger saloons.

(iv) *Solid product jetty*

JPB's subsidiary, SPT Services, operates the solid product jetty terminal in Tanjung Setapa, located at the PETRONAS Pengerang Integrated Complex. The solid product jetty terminal is designed to handle the volume produced at the PETRONAS Pengerang Integrated Complex, ensuring the timely export of containerised polymer and bulk sulphur, and other oil and gas industry-related products to the market.

7. BUSINESS OVERVIEW (Cont'd)**(v) Rental / leasing / free zone services**

We offer office, warehouse, open space and container yard space for rent on a short-term and long-term basis.

Short-term rentals are no more than three years and long-term rentals are three years or more. Long-term rentals or more often referred to as sub-lease arrangements, are agreements where the sub-lessee shall sub-lease a parcel of land and commit to capital expenditures to develop own operation facilities, minimum volume throughput and a predetermined level of productivity.

PTP, Johor Port, Northport and Penang Port have free zone areas that provide businesses with a dedicated area that facilitates trade and logistics operations under special regulatory conditions. We rent out warehouses for distribution centres, and office spaces in these areas, which can be customised to meet our customers' business needs. We offer customers flexible rental terms and scalable facilities, giving them the potential for seamless expansion to adapt to market demands.

These free zones are designed to enhance efficiency and cost-effectiveness for companies engaged in trading and transloading activities. Businesses operating within the freezone benefit from streamlined customs procedures, reduced tariffs, and tax incentives, fostering an environment conducive to international trade.

7.7 TARIFFS AND FEES

The tariffs and fees which we may charge for our services are set with reference to the tariff gazetted by the Government, our concession agreements or other contracts that we enter with the Government and the relevant port authorities or local regulatory bodies. Those tariff levels serve as a key reference point for negotiating pricing terms with our customers.

For container operations, charges billed mainly comprise terminal handling charges and storage charges and are billed either per 20-foot container, 40-foot container or container exceeding 40 feet. Charges vary depending on whether a container is laden or empty and whether it is a transshipment box or a local container. Other container-related charges may include reefer charges, extra movement charges and other miscellaneous charges.

The following table sets forth the maximum published tariffs for container cargo for each of our sea ports as at the LPD.

Container size	As at LPD	
	Transshipment (RM per move)	Import/export (RM per move)
PTP		
20 feet		
- Laden	200.00	300.00
- Empty	200.00	234.00
40 feet		
- Laden	300.00	450.00
- Empty	300.00	351.00
>40 feet		
- Laden	335.00	507.00
- Empty	335.00	390.00
Johor Port		
20 feet		
- Laden	128.00	284.00
- Empty	128.00	206.00
40 feet		
- Laden	187.00	408.00
- Empty	187.00	317.00

7. BUSINESS OVERVIEW (Cont'd)

Container size	As at LPD	
	Transshipment (RM per move)	Import/export (RM per move)
>40 feet		
- Laden	202.00	442.00
- Empty	202.00	343.00
Northport		
20 feet		
- Laden	182.00	300.00
- Empty	180.00	250.00
40 feet		
- Laden	273.00	450.00
- Empty	270.00	375.00
>40 feet		
- Laden	312.00	546.00
- Empty	300.00	457.00
Penang Port		
20 feet		
- Laden	175.00	270.00
- Empty	175.00	230.00
40 feet		
- Laden	263.00	405.00
- Empty	263.00	345.00
>40 feet		
- Laden	316.00	486.00
- Empty	316.00	414.00
Tanjung Bruas Port		
20 feet		
- Laden	Not applicable*	210.00
- Empty	Not applicable*	160.00
40 feet		
- Laden	Not applicable*	450.00
- Empty	Not applicable*	375.00
>40 feet		
- Laden	Not applicable*	Not applicable*
- Empty	Not applicable*	Not applicable*

Note:

* Tanjung Bruas Port is not involved in transshipment services or in handling container cargo larger than 40 feet.

For conventional cargo, charges mainly apply to wharfage, stevedores, wharf handling and pipeline use (for liquid bulk). Storage charges are also levied depending on the duration of stay of the cargo in the port. The maximum published tariffs for conventional cargo by port involves highly granular and technical rate structures that vary by cargo type, ship category and operational scenario. For example, wharfage and stevedoring fees differ based on whether the cargo is break bulk, dry bulk, or liquid bulk, while storage charges are tiered by duration (e.g., 1–15 days, 16 days and beyond) and vary between import and export flows. These published tariff rates are readily accessible through the websites of the respective ports.

Vessel calling at the port are subject to applicable port dues and marine charges (including pilotage, towage and mooring operations charges). Dockage charges, where applicable, are levied on the vessels depending on berthing hours (i.e. their length of stay) and overall vessel length, in accordance to the respective ports' tariff schedules.

Our port operating companies must submit an application to the port authorities, whereby the application typically includes, among others, details on the tariff increase for tariffs gazetted by the Government, justification, cost analysis and prevailing market conditions. If the port authority agrees to consider the proposal, it will present the application for the recommendations for the tariff hike to their board of directors for approval. Subsequent to receiving approval from the relevant port authorities, the approval of MOT is required prior to the publication of the Federal Government Gazette.

7. BUSINESS OVERVIEW (Cont'd)

Our sea ports have not been subject to any tariff adjustments during the Financial Years Under Review up to the LPD. Notwithstanding this, for completeness, historical tariff adjustments implemented prior to the Financial Years Under Review are also set out below.

- PTP's container cargo tariffs was increased by 15.0% in 2019 and 15.0% in 2021 (applied on 2019 tariff rates as part of a two-phase increase, with the first 15.0% increase having been applied in 2019).
- Northport's various container cargo tariffs were increased by between 7.0% and 85.0% in 2012, by 15.0% in 2015 and 15.0% in 2019 (applied on 2015 tariff rates as part of a two-phase increase, with the first 15.0% increase having been applied in 2015). In addition, a staggered port tariff increase has been approved for Port Klang, the first tariff adjustment for the port since 2015, comprising: 15.0%, 10.0% and 5.0% increases taking effect on 15 July 2025, 1 January 2026 and 1 January 2027, respectively.
- Johor Port's various container cargo and conventional cargo tariffs were increased by 10.0% in 2011 and 30.0% in 2021.
- Penang Port's container cargo tariffs were increased by 19.0% in 2007, 8.2% in 2015 and 19.6% in 2021. Its conventional cargo tariffs increased by 21.0% in 2007 and 13.1% in 2015.
- Tanjung Bruas Port has not been subject to any tariff increases.

7.8 MATERIAL PROPERTIES, PLANT AND EQUIPMENT

Details of our material properties, plant and equipment owned and leased or occupied by our Group are set out in Annexure C of this Prospectus.

7.9 TECHNOLOGY

We integrate advanced technologies to enhance operational efficiency, improve service delivery and drive sustainability. Key systems like the terminal operating system streamlines container handling, while enterprise resource planning system optimises processes across supply chain management, finance and human resources. Real-time data access enables swift decision-making, enhancing operational performance and market responsiveness. All our invoices are generated in the terminal operating system and are integrated in our other internal systems, providing statistical reports that help us to monitor port operational efficiencies.

Our digitalisation efforts include several notable initiatives, which are implemented in some of our ports, such as a gate access control system, a mobile application, open-payment platform solutions, a paperless electronic gate pass system, and a prime route system. These innovations streamline operations and improve the overall efficiency of port activities. We intend to incorporate these innovations in all of our ports in the future.

Some of our ports have adopted technologies such as the IoT, artificial intelligence, and machine learning. Our IoT infrastructure gathers real-time data, offering valuable insights into operations. We maintain a data lake that consolidates large volumes of data for advanced analytics, further enhancing decision-making and uncovering opportunities for continuous improvement. Robust cybersecurity measures, including centralised monitoring and driver fatigue detection systems, safeguard both operations and workforce. Additionally, CCTV surveillance and Access Control Systems provide critical infrastructure protection through real-time monitoring.

PTP has achieved significant international recognition, ranking fifth globally and first in Southeast Asia in the World Bank's Container Port Performance Index (CPPI) 2023. This index evaluates the efficiency of container ports worldwide, focusing on the duration of port stays for container vessels. PTP has embraced digitalisation by integrating artificial intelligence and

7. BUSINESS OVERVIEW (Cont'd)

machine learning systems, which facilitate proactive management, enhance performance, and support data-driven decision-making for improved operational outcomes. The implementation of Asset Digitalisation allows for comprehensive simulation and analysis of port operations, providing real-time virtual representations that enable flexible optimisation. PTP's technology infrastructure also includes terminal operating system and smart applications to manage port equipment facilities, container handling, berth facilities, quayside, and the container yard. These smart applications optimise planning, visibility and asset utilisation of twist locks, reefers, hatch clerks and lashing.

For security operations, PTP employs intelligent systems comprising Integrated Access Control and advanced CCTV surveillance system, ensuring continuous monitoring and strengthening operational safety and regulatory compliance across key areas. Additionally, PTP utilises centralised monitoring and safe driving management systems to safeguard operations and workforce. Additionally, PTP has employed augmented reality and virtual reality platforms for immersive safety training and simulations, enhancing safety protocols in critical areas such as fire safety, hand injury prevention, and working at heights. At Northport, we have drone technology to bolster workplace safety. This involves automating hazardous tasks, minimising human risk through drones for visual inspection of buildings and drainage.

Sustainability remains central to our strategy. We employ solutions such as a fuel management system, prime mover autonomous testing, and a supervisory control and data acquisition system for utilities management aimed at reducing environmental impact. We also focus on employee development, utilising simulators and continuous learning tools to enhance safety and technology adaptation. These efforts seek to not only optimise operations but also generate long-term value for stakeholders and shareholders, fostering sustainable growth while ensuring the security and efficiency of port operations.

7.10 RESEARCH AND DEVELOPMENT

We do not have any formal research and development facilities and systems or policies in place. As such, we have not incurred any material research and development expenditure during the Financial Years Under Review and from 1 January 2025 to the LPD. However, we routinely conduct market research through desktop research or by speaking with our key shipping line customers to further understand the latest developments within the shipping industry to the extent necessary, which enables us to develop strategies to meet the needs of our customers. Furthermore, we conduct various discussions, programs and trainings throughout the year to improve the systems and operations of our Company.

7.11 MARKETING ACTIVITIES AND DISTRIBUTION CHANNEL

Our commercial and business development team at each port is responsible for soliciting new customers and negotiating contracts and for customer service and management, in addition to finding ways to increase revenues from such existing customers. In order to project business demand in terms of volume, our commercial and business development team at each port operating companies gathers historical data, monitors latest trade and market developments, and communicates with our customers on a regular basis to better gauge and adjust to our business demands. We generally rely on organic marketing to drive new customer acquisition, in particular our commitment to providing superior productivity, as well as offering flexible, volume-based rates and negotiated incentives to attract new customers and strengthen long-term partnerships.

7.12 SOURCE AND AVAILABILITY OF RAW MATERIALS OR INPUTS

Due to the nature of our business, we do not conduct any raw material sourcing activities that are material to our business.

7. BUSINESS OVERVIEW (Cont'd)

7.13 COMPETITION

We face competition from container terminal operators in the region and, to a lesser extent, container terminal operators globally. The main port competing for transshipment traffic with us in the Strait of Malacca is Westports due to its close proximity to the main shipping route along the Strait of Malacca, as well as Port of Singapore.

We face competition for non-containerised cargo within Malaysia. Northport competes with Westports for Import/Export traffic as they share the same hinterland given that both ports are in close proximity to the capital city of Kuala Lumpur and have a number of industrial parks and suburban zones in the immediate vicinity, and they are also situated in close proximity to each other. In terms of non-containerised cargo, we compete with Bintulu Port Holdings Berhad and Kuantan Port Consortium Sdn Bhd. Johor Port competes with ports in Singapore, particularly for chemical and oil cargoes, however Johor Port offers significantly lower costs, giving it a competitive advantage, according to Drewry.

In addition, a majority of our customers who are shipping lines are increasingly investing in ports and in their own dedicated terminal facilities, thereby reducing the need for shipping lines to use third party terminals in which they have no previous investment or financial relationship.

Meanwhile, in our cruise terminal operations, we face competition primarily from cruise terminals in Thailand and Singapore and Bintulu Port in Malaysia.

For details on the industry overview, refer to Section 8 of this Prospectus.

7.14 SEASONALITY

Our business is generally not affected by seasonality, as our cargo throughput is supported by a broad mix of cargo types and customers across multiple industries and the five seaports we operate. This diversity helps ensure a stable flow of cargo throughout the year, minimising the impact of seasonal variations in specific sectors or markets.

7.15 BUSINESS INTERRUPTIONS

There has not been any material interruption to our business activities and the business activities of our associates during the past 12 months prior to the date of this Prospectus.

7.16 OUR MAJOR CUSTOMERS

Our top five major customers, which are global shipping lines, and their contribution to our revenue, for the financial years indicated are as follows:

FYE 31 December 2022

Customer	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the LPD ⁽¹⁾ years	Revenue RM'000	% of Group's revenue %
Maersk companies	Port services	9	957,134	23.6
MSC	Port services	9	419,718	10.3
Evergreen	Port services	9	214,278	5.3
Wan Hai	Port services	9	209,757	5.2
CMA CGM SA	Port services	9	114,560	2.8
			1,915,447	47.2

7. BUSINESS OVERVIEW (Cont'd)**FYE 31 December 2023**

Customer	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the LPD⁽¹⁾	Revenue	% of Group's revenue
		years	RM'000	%
Maersk companies	Port services	9	985,509	24.9
MSC	Port services	9	378,124	9.5
Wan Hai	Port services	9	244,631	6.2
Evergreen	Port services	9	198,542	5.0
Interasia	Port services	9	69,354	1.8
			1,876,160	47.4

FYE 31 December 2024

Customer	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the LPD⁽¹⁾	Revenue	% of Group's revenue
		years	RM'000	%
Maersk companies	Port services	9	1,262,854	29.0
MSC	Port services	9	385,958	8.8
Wan Hai	Port services	9	259,458	6.0
Evergreen	Port services	9	218,615	5.0
Interasia	Port services	9	85,623	2.0
			2,212,508	50.8

Note:

- (1) This refers to the length of relationship since the formation of our Group, with the earliest traceable point being when NCB Holdings became our 86.7% subsidiary in December 2015.

As at the LPD, none of our Directors, Promoters and/or substantial shareholders had any interest, direct or indirect, in any of our major customers.

During the FYEs 31 December 2022, 2023 and 2024, our Group's revenue was concentrated with the aforementioned major customers, which accounted for 47.2%, 47.4% and 50.8% of our total revenue, respectively. However, we were not dependent on any single customer during the Financial Years Under Review, as demonstrated by the following:

- (i) according to Drewry, the strategic location of our ports along the Strait of Malacca, the world's busiest shipping route, has contributed to our ranking as the largest port operating group in Malaysia. This geographic advantage ensures that, even if any customer were to cease using our port services, surplus capacity would be filled by other shipping lines, taking into consideration not only the strategic location but also port infrastructure, operational efficiency and connectivity. During the Financial Years Under Review, we have not experienced any material adverse impact on our financial performance from customers discontinuing their relationship with us or choosing not to use our port services;
- (ii) we believe that key factors affecting customers' decisions when selecting a port operator include, amongst others, our commitment in providing a fixed day berthing slot and high productivity rates. These are areas in which we believe we are well positioned to deliver due to our operational efficiency. Our typical approach is to foster long-term relationships with customers, ensuring stable and continued revenue contribution;

7. BUSINESS OVERVIEW (Cont'd)

- (iii) while we maintain close relationships with our existing customers, this is not an indication of dependency. Instead, such relationships serve as an effective safeguard against over-reliance on major customers, as they promote continuity of business, enhance customer retention and support long-term partnerships. These long-standing relationships are a natural result of our operations as our ports are strategically located and attract steady flow of trade, while we maintain quality services to meet our customers' needs. As such, we do not actively seek new customers solely to replace the current ones. Instead, we focus on nurturing these relationships, which enhances customer stickiness and reduces the likelihood of sudden volume loss that is typically an adverse outcome associated with dependency on major customers. This approach ensures that any changes in customer engagement do not adversely affect our overall business; and
- (iv) while the Maersk companies accounted for 23.6%, 24.9% and 29.0% of our total revenue for the Financial Years Under Review, respectively, we believe that this revenue concentration is an indication of customer engagement and trust, as well as a byproduct of Maersk's 30.0% equity ownership. We have a diversified portfolio of sea ports with varied cargo handling capabilities including containers, break bulk, liquid bulk, dry bulk and RORO. Our ports are strategically located in close proximity to the main shipping route along the Strait of Malacca, serving as important transshipment hubs in Southeast Asia. This location along one of the world's busiest shipping routes, combined with our diversified cargo handling capabilities, positions us as Southeast Asia's key gateway to global trade, with connectivity to Intra-Asia, Transpacific, and Asia-Europe routes. This provides strong operational resilience to potential short-term shifts in customer demand from any one customer, including the Maersk companies.

7.17 OUR MAJOR SUPPLIERS

Our top five major suppliers and their contribution to our purchases for the financial years indicated are as follows:

FYE 31 December 2022

Supplier	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the	Purchases	% of Group's purchases
		LPD		
		years	RM'000	%
PetDag	Fuel, diesel, diesel tank and lifter	9 ⁽¹⁾	263,224	21.4
TNB	Electricity	9 ⁽¹⁾	103,134	8.4
Kejora	Tugboats services	4	35,869	2.9
K.S.P.	Tugboats services	5	35,108	2.9
Terberg	Maintenance of prime movers	9 ⁽¹⁾	34,643	2.8
			471,978	38.4

FYE 31 December 2023

Supplier	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the	Purchases	% of Group's purchases
		LPD		
		years	RM'000	%
PetDag	Fuel, diesel, diesel tank and lifter	9 ⁽¹⁾	210,958	18.6
TNB	Electricity	9 ⁽¹⁾	124,431	10.9
Terberg	Maintenance of prime movers	9 ⁽¹⁾	39,943	3.5
K.S.P.	Tugboats services	5	36,131	3.2
Kejora	Tugboats services	4	33,847	3.0
			445,310	39.2

7. BUSINESS OVERVIEW (Cont'd)**FYE 31 December 2024**

Supplier	Types of services/ products supplied	Length of relationship with MMC Ports Group as at the LPD	Purchases	% of Group's purchases
		years	RM'000	%
PetDag	Fuel, diesel, diesel tank and lifter	9 ⁽¹⁾	205,226	18.3
TNB	Electricity	9 ⁽¹⁾	135,002	12.0
K.S.P.	Tugboats services	5	43,314	3.8
Kejora	Tugboats services	4	34,992	3.1
Terberg	Maintenance of prime movers	9 ⁽¹⁾	31,352	2.8
			449,886	40.0

Note:

(1) This refers to the length of relationship since the formation of our Group, with the earliest traceable point being when NCB Holdings became our 86.7% subsidiary in December 2015.

As at the LPD, none of our Directors, Promoters and/or substantial shareholders have any interest, direct or indirect, in any of our major suppliers.

Our Group was not dependent on any suppliers during the Financial Years Under Review or from 1 January 2025 to the LPD. Our Group has entered into agreements and arrangements in the ordinary course of business with our top five major suppliers for our operations and we generally have alternative suppliers available to provide such services or goods if the need arises. We have established business relationships with our suppliers and have not faced any material supply disruptions and/or major delays from our major suppliers. In the event that we are unable to procure fuel-related products from PetDag, we are able to obtain similar products from other suppliers.

Further, TNB is the nation's primary electricity generation enterprise in Peninsular Malaysia. We have not experienced any material electricity supply disruptions.

7.18 MATERIAL TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

Save as disclosed in Annexure A of this Prospectus, we do not have any material trademarks, brand names and other intellectual property rights.

7.19 EMPLOYEES

As at the LPD, our Group employed a total workforce of 11,554 (11,356 as at 31 December 2024) employees, out of which 9,290 (9,296 as at 31 December 2024) are permanent employees while the remaining 2,264 (2,060 as at 31 December 2024) were contractual employees. Further, we have 1,153 (1,199 as at 31 December 2024) foreign employees, all of whom possess valid work permits and/or documentations. All of our employees are based in Malaysia, as we operate only in the country.

7. BUSINESS OVERVIEW (Cont'd)

The breakdown of our employees by positions as at 31 December 2024 and as at the LPD are as follows:

Total number of employees as at 31 December 2024						
Categories	Senior management (General Manager and above)	Middle management (Senior Manager & Assistant General Manager)	Middle management (Manager)	Executive (Executive to Assistant Manager)	Non-executive	Total
Key senior management	7	-	-	-	-	7
Port operation staff	18	68	161	791	8,629	9,667
Non-port operation staff	49	90	126	564	853	1,682
Total	74	158	287	1,355	9,482	11,356

Total number of employees as at the LPD						
Categories	Senior management (General Manager and above)	Middle management (Senior Manager & Assistant General Manager)	Middle management (Manager)	Executive (Executive to Assistant Manager)	Non-executive	Total
Key senior management	7	-	-	-	-	7
Port operation staff	18	68	168	801	8,812	9,867
Non-port operation staff	46	92	131	565	846	1,680
Total	71	160	299	1,366	9,658	11,554

As at the LPD, 4,494 of our employees belong to trade unions, namely Kesatuan Pekerja-Pekerja Johor Port Berhad, Kesatuan Kakitangan Northport (Malaysia) Bhd, Northport (Malaysia) Bhd Executive Association, Kesatuan Pekerja-Pekerja Penang Port Sdn Bhd, Persatuan Pegawai-Pegawai Kanan Penang Port Sdn Bhd, Kesatuan Pekerja-Pekerja Pelabuhan Tanjung Pelepas Sdn Bhd and Kesatuan Eksekutif Pelabuhan Tanjung Pelepas Sdn Bhd.

We have not experienced any strikes or other disruptions due to labour disputes. We have also not experienced any material union disputes in the past three years.

7.20 INSURANCE

Our operations are subject to normal hazards of operational and geographic risks, including accidents, fire and weather-related perils. We maintain various types of insurance policies to protect against the financial impact arising from unexpected events when the amount of the potential loss would be significant enough to materially affect normal business operations. The purchase of these policies is handled with applicable limits, coverage, scope and deductibles that we, with the advice of our insurance advisors, believe are reasonable and prudent after all means of controlling or preventing the risk have been considered. For details on risks relating to our insurance coverage, refer to Section 5.1.32 of this Prospectus.

We maintain insurance policies in line with industry practice, covering business interruption and property damage to both our real and personal properties, including but not limited to, assets and equipment material to our business. We also maintain terminal operators' liability insurance policy to cover liability to a third party due to any negligence as a port operator.

7. BUSINESS OVERVIEW (Cont'd)

7.21 GOVERNING LAWS AND REGULATIONS

Our business is regulated by, and in some instances required to be licensed under specific laws of Malaysia. The relevant laws and regulations governing the business of our Group, which do not purport to be an exhaustive description of all laws and regulations of which our business is subject to are summarised below. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or any other orders being made.

(i) PAA 1963

The PAA 1963 provides for the establishment of port authorities, for the functions of such authorities and for matters relating to operation and otherwise maintenance of the ports in respect of which it is established.

(a) The PKA and JPA

The PKA and the JPA are statutory corporations established on 1 July 1963 and 1 January 1975 respectively under the PAA 1963 to operate and manage, amongst others, Port Kelang, Pasir Gudang Port and Tanjung Pelepas Port, respectively.

(b) The MPA

The functions, powers, duties and jurisdiction of PKA were extended to Port of Malacca (the limits of which as declared under Section 6 of the *Merchant Shipping Ordinance 1952*) pursuant to the Kelang Port Authority (Extension of Functions to Port of Malacca) Order 1983, made by virtue of Section 47A of the PAA 1963. In carrying out its functions in respect of the Port of Malacca, the PKA was styled as the MPA.

The PKA, JPA and MPA have the power to do all things reasonably necessary for or incidental to the discharge of its functions which includes among others:

- (a) to undertake or grant licence on such conditions as the authority may think fit to any company, firm, person or persons to undertake, any activities in the port as may appear to the authority to be necessary;
- (b) to promote the improvement and development of the port;
- (c) to undertake all or any work of every description of or in connection with the loading, unloading and storing of goods or cargo in the port, or authorise by way of licence any company, firm, person or persons to undertake such work, subject to such regulations or by-laws as the authority may from time to time make, and such licence may contain conditions which include a condition that such work shall be undertaken under contract to the authority;
- (d) to construct, maintain, repair and use wharves, docks, piers and bridges within the limits of the lands vested in it, with all necessary and convenient arches, drains, culverts, fences, roads, railways and approaches;
- (e) subject to the PAA 1963, to levy such port dues and such general charges upon goods or cargo loaded and discharged in the port as it may deem necessary for the maintenance, improvement or development of the port;
- (f) to construct and maintain and within the limits of the lands vested in it, to operate railways, warehouses, sheds, engines, cranes, scales and other appliances for conveying, receiving, handling and storing goods to be landed or shipped or otherwise dealt with by the authority; and
- (g) to erect or cause to be erected houses and buildings on lands vested in the authority.

7. BUSINESS OVERVIEW (Cont'd)**(ii) PPCA 1955**

The PPC is a statutory corporation established on 1 January 1956 under the PPCA 1955 to operate and manage the port of Penang (the limits of which as declared under Section 6 of the *Merchant Shipping Ordinance 1952*). It shall be the duty of the PPC to, among others:

- (a) maintain, or provide for the maintenance of, adequate and efficient port services and facilities including ferry services at reasonable charges for all users of the port consistent with the best public interest;
- (b) provide pilotage services within the limits of the port and the approaches to the port;
- (c) co-ordinate the activities of the port;
- (d) promote the improvement and development of the port; and
- (e) execute such works as may be necessary to the performance of the duties prescribed in paragraphs (a) to (d) above.

For the purposes of carrying out its duties, the PPC may, among others:

- (a) construct, procure, maintain, repair and use, within the limits of the lands vested in it, railways, warehouses, sheds, engines, cranes and other appliances for conveying, receiving, handling and storing goods to be landed or shipped or otherwise dealt with;
- (b) construct, maintain, repair and use wharves, docks, piers and bridges within the limits of the lands vested in it, with all necessary and convenient arches, drains, culverts, fences, roads, railways and approaches; and
- (c) erect, or procure to be erected, houses and buildings on the lands vested in it.

(iii) Ports PA 1990

The Ports PA 1990 is the principal legislation which regulates the licensing of port operators and only operators licensed under the Ports PA 1990 may undertake or manage port undertakings that have been privatised under the Ports PA 1990.

All licences issued under the Ports PA 1990 stipulate terms and conditions under the licence, including the duration of the licence, the types of services and facilities to be provided by the licensee, the annual licence fee payable by the licensee, the particular duties of the licensee in respect of the services or facilities and any other conditions as the port authority thinks fit.

A breach of any condition of the licence or any failure to comply with any provision of the Ports PA 1990 or any regulations or by-laws made thereunder may result in administrative sanctions, including the suspension or revocation of the licence, prosecution of the licensee and/or the imposition of penalties. Where a licence is suspended or revoked and the port authorities consider that such revocation or suspension would materially affect the operations of the port, the port authority may take temporary possession of the port, manage port operations and in doing so may engage any employee of the operator.

Every licensed operator has reporting requirements and is required to submit a report of its operations and financial statements at the end of each financial year. A licensed operator shall also submit any statistical information and cargo forecast as may be required by the port authority and any future development plans relating to any service it is required to provide under its licence. A licensed operator shall also immediately inform the port authority of certain matters affecting its operations such as, amongst

7. BUSINESS OVERVIEW (Cont'd)

others, any industrial accident or mishap involving any employee of the licensed operator, any theft or pilferage within its premises or involving any cargo, any proceedings or claims made against the licensed operator which may affect its ability to perform any condition under the licence.

The salient terms attached to our port licences are set out in Annexure B of this Prospectus.

(iv) OSHA

Under the OSHA, we have a general duty to ensure, so far as is practicable, the safety, health and welfare at work of all our employees, including among others:

- (a) providing and maintaining our plants and systems of work that are, so far as is practicable, safe and without risks to health;
- (b) making arrangements for ensuring, so far as is practicable, safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plants and substances;
- (c) providing information, instruction, training and supervision as is necessary to ensure, so far as is practicable, the safety and health of our employees at work;
- (d) maintaining any place of work under our control, in a condition that is safe and without risks to health and providing and maintaining the means of access to and egress from it that are safe and without such risks;
- (e) providing and maintaining a working environment for our employees that is, so far as is practicable, safe, without risks to health, and adequate as regards to facilities for their welfare at work;
- (f) developing and implementing procedures for dealing with emergencies that may arise in the course of the employees' work; and
- (g) formulating and implementing safety and health policies which are revised as often as it may be appropriate and duly bringing the same to the notice of all employees.

Breaches of general duties may result in a fine not exceeding RM500,000 or imprisonment for a term not exceeding two years or both.

An occupier of a workplace that has been gazetted as requiring a safety and health officer must appoint a person who is competent to act as a safety and health officer to ensure the due observance of the provisions of the OSHA and any related regulations, and for promoting safe work conduct at the workplace. A person shall be appointed as a safety and health officer for one workplace at a time, unless otherwise authorised by the Director General of Occupational Safety and Health. Employers who have five or more employees at the other workplaces that has not be so gazetted, are required to appoint an employee to act as an occupational safety and health coordinator to coordinate occupational safety and health issues at the workplace.

Any person who contravenes any of the above will be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding six months or to both.

7. BUSINESS OVERVIEW (Cont'd)

Every employer is required to establish a safety and health committee if there are 40 or more persons employed at the place of work or if directed by the Director General of Occupational Safety and Health, failing which the employer shall be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding one year or to both. The safety and health committee will, among others, keep under review the measures taken to ensure the safety and health of persons at the workplace.

The OSHA also prescribes standards for the certification and inspection of plants, ensuring their operational safety and compliance, and the Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024 and the Occupational Safety and Health (Licensed Person) Order 2024 detail requirements for plant operations and certifications.

Any person who operates or causes or permits any plant requiring a certificate of fitness to be operated must ensure that the plant has a valid certificate of fitness, failing which such person will be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding one year or both.

(v) EQA 1974

The EQA 1974 restricts pollution of the atmosphere, noise pollution, pollution of the soil, pollution of inland waters without a licence, prohibits the discharge of oil into Malaysian waters without a licence, discharge of wastes into Malaysian waters without a licence and prohibits open burning.

Unless compounded by the Director-General of Environment, in the event of non-compliance, an offender shall be liable on conviction to:

- (a) a fine not exceeding RM100,000 or imprisonment for a term not exceeding five years or to both and to a further fine not exceeding RM1,000 a day for every day that the offence continues for contravention of Environmental Quality (Sewage) Regulations 2009; and
- (b) a fine of not less than RM5,000 and not exceeding RM250,000 or imprisonment for a term not exceeding two years or both for the contravention of the EQA 1974 or any regulation made thereunder for where no penalty is expressly provided.

(vi) Regulatory framework for port premises/buildings/structures of our Group

Further to the Port Regulations, the relevant port authorities are established to construct, operate and otherwise maintain the ports and exercise its functions relating to port activities including matters relating to the construction and maintenance of the port facilities. As such, the approving authority for port structures and buildings is the port authorities.

Premises/ buildings/ structures under concession were initially built and operated by the respective port authorities before being leased to our Group and shall remain the property of the port authorities under the terms of the respective Privatisation Agreements and Lease Agreements, as set out in Section 7.23 of this Prospectus.

Port wharves and government buildings operate under strict regulations, particularly relating to public safety, environmental standards, and operational functionality. When properties at the port are leased to a concessionaire, there is no change to the ownership of the properties which remains with the port authorities. However, the buildings and infrastructure continue to operate under the same regulatory framework.

7. BUSINESS OVERVIEW (Cont'd)

Port wharves and government buildings that were built and in operation before privatisation, even though the properties were leased to the concessionaires, are still considered compliant with previous regulations if they were constructed in accordance with the requirements as may be imposed by the government authorities and used for their intended purposes (that was as designed prior to privatisation). This is particularly relevant since these properties had passed inspections and met safety or operational standards before leasing of the properties. Government projects typically go through various approval channels within government departments, involving compliance with internal design and safety standards, similar to the CCC or CF application process.

Port wharves and government buildings, for example, are often subject to a more complex regulatory framework, including maritime, safety, and environmental regulations. Local authorities may decide that buildings having been previously in use and in operation by the authorities may continue to be in use if no modifications or changes occur upon the privatisation of the operation. The regulatory body might take into account the continuity of the facility's purpose and its ongoing compliance with safety and operational standards. The respective port authorities do periodic/ regular inspections at the port areas and to-date, the port companies have not received any penalties/ notices from the port authorities regarding the state of the premises/ buildings/ structures.

Port wharves and government buildings are typically subject to rigorous inspection and compliance standards before they are put into service. The privatisation is unlikely to trigger a requirement for a new CCC or CF since the properties were built under stringent public sector regulations and were already compliant with safety, health, and operational standards. This is especially relevant in cases where the building or port infrastructure was already in active use under public ownership and no major structural or operational changes are being made post-privatisation.

Insofar as the administration of MMC Ports' ports is concerned, the Port Regulations are as follows:

The PAA 1963 (which regulates the operation of, among others, Northport, Tanjung Bruas Port, Johor Port and PTP) and the PPCA 1955 (which regulates the operation of Penang Port) outline the relevant port authorities' power to do all things reasonably necessary for or incidental to the discharge of its functions which includes among others:

- (a) to undertake or grant licence on such conditions as the authority may think fit to any company, firm, person or persons to undertake, any activities in the port as may appear to the authority to be necessary;
- (b) to promote the improvement and development of the port;
- (c) to undertake all or any work of every description of or in connection with the loading, unloading and storing of goods or cargo in the port, or authorise by way of licence any company, firm person or persons to undertake such work, subject to such regulations or by-laws as the authority may from time to time make, and such licence may contain conditions which include a condition that such work shall be undertaken under contract to the authority;
- (d) to construct, maintain, repair and use wharves, docks, piers and bridges within the limits of the lands vested in it, with all necessary and convenient arches, drains, culverts, fences, roads, railways and approaches;
- (e) subject to the relevant PAA 1963 and PPCA 1955, to levy such port dues and such general charges upon goods or cargo loaded and discharged in the port as it may deem necessary for the maintenance, improvement or development of the port; and

7. BUSINESS OVERVIEW (Cont'd)

- (f) to construct and maintain and within the limits of the lands vested in it, to operate railways, warehouses, sheds, engines, cranes, scales and other appliances for conveying, receiving, handling and storing goods to be landed or shipped or otherwise dealt with by the authority.

Pursuant to Section 6 of the Ports PA 1990, the port authority's undertakings (being their responsibilities - including facilities, services, and related assets - under the provisions of the law) will be transferred to an operator as soon as practicable after the MOT, being the relevant Minister charged with the responsibility for ports, approves the privatisation plan, the necessary agreement is executed, and the operator is licensed under the Ports PA 1990. Nevertheless, the transfer of port undertakings does not constitute the transfer of ownership of the assets, which will continue to belong to the Government (via port authorities). Further, Section 7(2) of the Ports PA 1990 provides that the liabilities of the port undertakings shall remain the liabilities of the port authorities, except to the extent of any written agreement to the contrary.

Under the Privatisation Agreements, the port entities were granted rights to operate port facilities during the concession period. Upon the expiry or termination of these agreements, the demised properties, including the land, buildings and structures erected thereon, shall be surrendered to the port authorities, as they are the owners of the properties. Pursuant to the port licences issued to the port entities under the relevant Privatisation Agreements, these entities are authorised to operate, maintain, manage, and control the port, as well as provide facilities and services to port users.

Further, the Ports PA 1990 provides that every licensed operator shall submit to the port authority future development plans relating to any service or facility which it is bound to provide under the conditions of the licence and a report of its operations on a timely basis. As such, prior written approval is required from the relevant port authorities pursuant to the terms and conditions of the relevant Privatisation Agreements of the port entities for any new development or changes to the approved development plan. Any future extensions/ expansion/ renovation to be undertaken by our Group on any premises/ buildings/ structures which are not part of the approved development plan will be subject to these Privatisation Agreements.

Compliance with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Group

As at the LPD, we are in compliance with the relevant laws, regulations, rules or requirements governing the conduct of our Group's business and environmental issues which may have a material impact to our Group's business, operations or financial conditions.

7.22 MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS

We have various major certificates, licences, permits and approvals for our operations in Malaysia. Details of our major licences, certificates, permits and approvals are set out in Annexure B of this Prospectus.

7. BUSINESS OVERVIEW (Cont'd)

7.23 MATERIAL DEPENDENCY ON COMMERCIAL OR FINANCIAL CONTRACTS, INTELLECTUAL PROPERTY RIGHTS, LICENCES AND PERMITS OR PRODUCTION OF BUSINESS PROCESSES

As at the LPD, there are no commercial or financial contracts, intellectual property rights, licences, permits or production of business processes which our Group's business or profitability is materially dependent on save for the following:

7.23.1 Privatisation Agreements

The Privatisation Agreements were entered into between (1) the respective port companies; (2) the Government; and (3) the relevant port authorities.

(i) PTP Privatisation Agreement

On 24 March 1995, Seaport Terminal entered into a privatisation agreement with the government and JPA for the construction and development of PTP. Simultaneously and via a novation agreement, Seaport Terminal novated most of its rights under the PTP Privatisation Agreement to PTPSB as the operator of PTP. As consideration for PTPSB accepting the concession and undertaking to operate PTP, the Government sold its entire issued ordinary share capital of JPB to Seaport Terminal. The concession period for PTP was for an initial period of 30 years, which expired on 23 March 2025 and was automatically extended to 23 March 2055.

The PTP Privatisation Agreement grant PTPSB the rights and licence to plan, design, and construct PTP; supply and install all equipment and materials used or to be used in the conduct of its port business; lease the port area of PTP (as delineated in the PTP Privatisation Agreement) and manage, operate, and maintain PTP in accordance with the terms and conditions of the port licence pursuant to the PTP Privatisation Agreement; charge port users for services or facilities provided; and develop PTP during the concession period in accordance with the development master plan of PTP pursuant to the PTP Privatisation Agreement.

Subject to the terms and conditions of the PTP Privatisation Agreement, PTPSB is also required to pay JPA an annual licence fee of RM100,000. Pursuant to the PTP Privatisation Agreement, PTPSB also undertakes to the Government and JPA that it shall ensure that not less than 30.0% of the equity shares in PTPSB shall at all times be held by Bumiputra interests. PTPSB also undertakes that it shall not undertake any other activity or business other than the port business.

PTPSB may enter into construction work contracts with any persons (including foreign companies and non-citizens) provided that Bumiputra contractors (a contractor registered as a Bumiputra construction contractor with the Contractor Service Centre, Ministry of Entrepreneur Development and Cooperatives) are awarded at least 30.0% of the aggregate contract value of the construction works.

Further to the above, PTPSB is also required to comply (among others) with the following terms pursuant to the PTP Privatisation Agreement:

- (a) PTPSB should comply with the development master plan of PTP, the policies of the Government and JPA and that its management and employment structures is to be in line with the aspirations of the National Development Policy.

7. BUSINESS OVERVIEW (Cont'd)

- (b) PTPSB is required to comply with all relevant laws, standards, criteria and Government policies on matters relating to the conservation of the existing environment in carrying out their port business and in all matters relating to the PTP Privatisation Agreement. PTPSB is also required to take every reasonable precaution necessary to prevent pollution and adhere to all environmental requirements pertaining to pollution controls, discharge of effluent and like matters which are required by any laws, rules or regulations.
- (c) PTPSB is to maintain a good working and commercial relationship with its neighbouring ports and shall comply with any understanding or agreement between the Government and the government of Singapore with respect to boundary, maritime, navigation and aviation matters, as well as any understanding or agreement between the various port authorities in Malaysia or between any port authority in Malaysia and the Maritime and Port Authority of Singapore on joint technical, safety and navigation matters.

The PTP Privatisation Agreement may be terminated by JPA if PTPSB goes into liquidation or receivership, or if PTPSB breaches any of its material obligations under the PTP Privatisation Agreement, the PTP Lease Agreement or the port licence granted to PTPSB. On the other hand, PTPSB is entitled to terminate the PTP Privatisation Agreement if the Government or JPA wholly or partly revokes the right and authority of PTPSB granted under the PTP Privatisation Agreement during the concession period or if the Government or JPA fails, neglects or refuses to make available the on-shore land (as delineated in the PTP Privatisation Agreement) for purposes of development of PTP.

Upon termination or expiry of the concession, JPA or the Government will then appoint an entity to substitute PTPSB as the operator of PTP and to purchase and subsequently assume PTPSB's rights, titles, interests and assets in relation to PTP pursuant to the PTP Privatisation Agreement and the PTP Lease Agreements. PTPSB shall cease to manage, operate and maintain PTP and shall remove its personnel and vacate PTP. PTPSB's rights in respect of the port operation and port area shall revert to and vest in JPA and the PTP Lease Agreement and port licence will be terminated. PTPSB will then hand over its port business including all equipment and materials (including fixtures and fittings), in operational condition, to JPA.

Notwithstanding the foregoing, the Government may terminate the concession by expropriating PTP, the port business or PTPSB, by giving not less than three months' notice to that effect to PTPSB if the Government, in its absolute discretion, considers that such expropriation is in the national interest or security.

In the event of termination, JPA shall then pay to any existing financiers of PTPSB within 180 days from the date of termination or expropriation, an amount equal to the aggregate amount owing to such financiers or shall otherwise assume the liabilities and obligations of PTPSB to its financiers within this period.

If the termination arose from a default of PTPSB, Seaport Terminal shall also transfer to the Government, all its rights in respect of JPB as at the date of termination including all its shares in JPB in consideration of the payment by the Government of an amount per share transferred equal to the purchase price per share paid by Seaport Terminal or at the prevailing market value per share, whichever is the lower.

PTPSB shall also indemnify and protect the Government and JPA from any actions, claims, losses, damages, or expenses (including legal costs) arising from: (a) negligent use, misuse or abuse by PTPSB; (b) any loss, damage, or injury related to PTPSB's use of the port area of PTP, unless caused by the Government's or JPA's negligence or misconduct; or (c) any loss, damage, or injury within the port area of PTP caused by PTPSB.

7. BUSINESS OVERVIEW (Cont'd)**(ii) Johor Port Privatisation Agreement**

JPB entered into the Johor Port Privatisation Agreement with the Government and JPA for the purpose of carrying out the business of operating, maintaining, managing and providing the port operation at the Johor Port throughout the concession period. The concession period for JPB was for an initial period of 30 years, which expired on 31 December 2022 and was automatically extended to 31 December 2052. It was subsequently, further extended to 23 March 2055.

In consideration and subject to the terms and conditions of the Johor Port Privatisation Agreement, JPB is required to pay JPA an annual licence fee of RM100,000 and the additional annual rental: (a) RM1 per TEU for each additional TEU exceeding 500,000 TEUs of containerised cargo calculated annually from 1 January 2022 until 31 December 2052; and (b) 10 sen for every additional tonne exceeding 12 million tonnes of uncontainerised cargo calculated annually from 1 January 2022 until 31 December 2052.

JPB has also provided the following covenants and undertaking, among others, pursuant to the Johor Port Privatisation Agreement:

- (a) to bear the costs of maintaining the navigational aids currently maintained by JPA;
- (b) to comply with management performance standards established by JPA in respect of standards of facilities and services to be provided by JPB;
- (c) to ensure JPB's compliance with JPA and Government policies, the port development plans and other directives and that its management and other employment structure shall be in line with the national aspirations of the national development policy; and
- (d) to take all reasonable precautions which are necessary or expedient to prevent pollution and shall adhere to environmental requirements, regulations and by-laws governing control of pollution, discharge, effluents and like matters which are required by the law.

The Johor Port Privatisation Agreement may be terminated by JPA under the following circumstances: (a) if JPB is in default or breaches any provision, obligation, covenant, warranty or undertaking under the Johor Port Privatisation Agreement, the lease, the licence, the sale of business agreement or management agreement; (b) if JPB resolves or proposes to go into voluntary liquidation; (c) if upon the presentation of a petition to wind up JPB and JPB knowingly or wilfully refuses to defend such petition and which petition shall not have been withdrawn within 60 days of its filing; (d) if any execution or distress is levied or made against the assets and property of JPB and not remedied within 60 days; or (e) if a compulsory winding up order has been made against JPB.

Under the above circumstances, JPA is entitled to, by notice to JPB, declare the Johor Port Privatisation Agreement to be terminated. JPB shall then pay JPA damages for all losses suffered by JPA and all other moneys paid to JPA or earned by JPA pursuant to the provisions of the sale of business agreement, the licence and the lease shall be forfeited to JPA. JPB will then cease to manage, operate and maintain Johor Port, remove all its personnel and hand over all lands and all immovable assets of Johor Port in operational condition and at no cost to JPA.

7. BUSINESS OVERVIEW (Cont'd)

The Johor Port Privatisation Agreement allows the Government to terminate the Johor Port Privatisation Agreement by providing at least a three months' notice to JPB if it considers that such termination is necessary for national interest, in the interest of national security or for the purpose of government policy or public policy. Upon such termination, JPB is entitled to compensation which is to be determined by an independent auditor appointed by the Government after due consultation with JPB.

JPA is also entitled to be indemnified by JPB against any claims, losses, or damages resulting from the use, operation, possession, negligence, default, or misuse of the assets of Johor Port by JPB or any third party. This indemnity covers all related costs and remains in effect even after the termination of the agreement. JPA is not responsible for any defects, quality, or fitness issues of Johor Port and holds no liability for any resulting loss, injury, or damage, including third-party claims against JPB.

(iii) Northport Privatisation Agreement

Pursuant to the Northport Privatisation Agreement, NMB was granted the right to operate Northport, consisting of North Port and Southpoint, under a single concession.

The initial concession period for both North Port and Southpoint was 30 years expiring on 30 November 2043. Subsequently, through the second supplementary of the Northport Privatisation Agreement, the concession period for North Port was extended to 23 March 2055, while the concession period for Southpoint remained unchanged, expiring on 30 November 2043.

In consideration of NMB, among others, providing and carrying out the operation, maintenance, management and control of the port and providing facilities and services to port users at North Port and Southpoint of Port Klang throughout the concession period, and subject to the terms and conditions of the Northport Privatisation Agreement, NMB is required to pay to PKA an annual licence fee of RM100,000. Additionally, NMB is required to pay an additional payment in the form of profit sharing: (a) RM1 per TEU for containerised cargo exceeding 3,000,000 TEU calculated annually from 1 December 2013 until 30 November 2023; (b) RM1 per TEU for containerised cargo exceeding 3,500,000 TEU calculated annually from 1 December 2023 until the expiry of the concession period; and 10 sen per tonne for conventional cargo calculated annually from 1 December 2013 until the expiry of the concession period.

The Northport Privatisation Agreement imposed certain terms and conditions on NMB, that throughout the concession period NMB shall, among others:

- (a) perform and carry out its obligations under Northport Privatisation Agreement diligently and efficiently in accordance with the performance standard;
- (b) maintain all necessary books, accounts and records and ensure that proper records are maintained at all times and that such records are at all reasonable times available for inspection by the authorised officers or auditors of the Government and/or PKA; and
- (c) provide suitably qualified personnel for the implementation of the concession.

7. BUSINESS OVERVIEW (Cont'd)

Additionally, where NMB enters into contracts with third parties, both local and international, for supplies, services and works, the Bumiputera content shall be at least 30.0% of the aggregate value of the supplies, services or works as the case may be, and that third parties shall not related or associated directly or indirectly with NMB or the shareholders of NMB. NMB is also prohibited from appointing any foreign professionals or foreign companies as consultants unless the Government is satisfied the services sought to be procured from such foreign professionals or companies as consultant are not presently available in Malaysia.

NMB undertakes and covenants with the Government and PKA that for the duration of the Northport Privatisation Agreement it shall not carry on or undertake any business other than the concession.

There are several circumstances pursuant to which the Northport Privatisation Agreement may be terminated. These include, if NMB: (a) fails to carry out port operation in accordance with the development plan or performance standard prescribed in the Northport Privatisation Agreement; (b) suspends or abandons the whole or any part of port operations for a continuous period of 30 days; (c) refuses, fails or neglects to pay: (i) the annual lease rentals and/or annual contractual sub-lease rentals for the demised property as set out in the Northport Privatisation Agreement; (ii) licence fee; or (iii) additional payment in the form of profit sharing as set out in the Northport Privatisation Agreement; or (d) is in breach of any of its obligations or fails to comply with any other provision, obligation, covenant, warranty or undertaking under the Northport Privatisation Agreement.

Under the above circumstances, PKA is then entitled to give notice in writing to NMB specifying the relevant default and requiring NMB to remedy the default within a period specified in the default notice taking into account the nature of the remedy to be carried out.

PKA also has the right to immediately terminate the Northport Privatisation Agreement by giving notice to that effect to NMB, if NMB:

- (a) causes the port licence granted to NMB to be revoked in accordance with the provisions of the Ports PA 1990;
- (b) assigns the rights and benefits of the Northport Privatisation Agreement without the prior written consent of PKA;
- (c) causes the lease agreement and/or contract to sub-lease to be terminated due to its default under the said agreements;
- (d) is subject to an order made against it or a resolution passed for the winding up of NMB, except for the purpose of reconstruction or amalgamation;
- (e) enters into liquidation or receivership whether compulsorily or voluntarily; or
- (f) cause the execution of judgement to be levied against a substantial portion of NMB's assets, unless it has instituted proceedings in good faith to set aside such execution.

On the other hand, if PKA, without reasonable cause, fails to perform or fulfil any of its obligations which adversely affect the right and authority of NMB to perform the concession, then NMB may give notice to PKA of its intention to terminate the concession by giving six months' notice or such other period as may be agreed by the parties provided always notwithstanding NMB's right to give notice, PKA may request for an extension of time to rectify its default or remedy such breach thereof, in which case NMB shall grant such reasonable extension for a period to be mutually agreed by the parties thereto.

7. BUSINESS OVERVIEW (Cont'd)

If PKA fails to remedy the relevant event of default within the period of six months or such other period as may be agreed by the parties, NMB may by written notice, for so long as the relevant default or event is continuing, terminate the Northport Privatisation Agreement and the termination shall take effect 30 days after the date of such written notice.

Notwithstanding any provision in the Northport Privatisation Agreement, the Government may at any time during the concession period, terminate the Northport Privatisation Agreement by expropriating the concession by giving not less than six months written notice to that effect to NMB if the Government considers that such expropriation is in the national or public interest or national security.

Upon termination of the Northport Privatisation Agreement, the right and licence granted to NMB to carry out port operation on Northport shall expire. NMB shall cease its operations of Northport and NMB's rights in respect of the port operation shall revert to and vest in the Government and PKA. The lease agreement and contract to sub-lease shall automatically be terminated and Northport shall revert to PKA at no cost to PKA.

PKA is then entitled to take over port operations at Northport on its own or appoint a new port operator. All buildings and other structures erected on the demised property and/or excluded land by NMB, whether wholly or partly completed, shall revert to PKA without compensation to NMB and PKA shall be entitled to utilise such buildings and other structures for its own benefit. NMB is also required to settle all outstanding dues with PKA and vacate and hand over Northport, including any relevant documents and intellectual property, as well as remove its personnel and any equipment specified by PKA. Any subsisting third party contracts shall also be terminated at NMB's own expense.

Pursuant to the Northport Privatisation Agreement, NMB shall also keep PKA and the Government indemnified from and against, among others, all actions, suits, claims or demands, liabilities, proceedings, losses, damages, compensation, costs (including legal costs), charges and expenses whatsoever to which the Government and/ or PKA shall or may be or become liable in respect of or arising from, among others, the design, construction, occupation, operation, maintenance and/or use of Northport by NMB resulting in accident, damage, injury or death, any loss, damage, death or injury of whatsoever nature and kind and howsoever or whenever sustained or caused or contributed to any person by carrying out the concession by NMB or the use of any technology, article or appliances or violation of any third party intellectual property rights.

(iv) Penang Port Privatisation Agreement

PPSB entered into the Penang Port Privatisation Agreement for the purpose of carrying out the business of operating, maintaining, managing and providing the port operation at Penang Port throughout the concession period. The concession period for PPCB was for an initial period of 30 years, which expired on 1 January 2024 and was extended to 31 December 2041. It was subsequently further extended to 23 March 2055.

In consideration of PPCB carrying out the business of operating, managing, maintaining, providing services and facilities, and the development of the port undertakings in Penang Port, and subject to terms and conditions of the Penang Port Privatisation Agreement, PPCB is required to pay to PPC (a) annual licence fee of RM100,000; (b) the lease rental and threshold rent pursuant to the lease agreements entered into between PPCB and PPC; and (c) passenger fee of RM1 for each and every passenger handled through SPCT for that year as certified by the auditor of PPCB from the effective date of the second supplemental of the Penang Port Privatisation Agreement.

7. BUSINESS OVERVIEW (Cont'd)

PPSB is also required to pay to PPC, for a period commencing 1 January 2042 until 23 March 2055, a profit sharing for every tonne of conventional cargo and every TEU container handled through the port annually as certified by the auditor of PPC.

Pursuant to the Penang Port Privatisation Agreement, PPCB covenants and undertakes to, among others:

- (a) grant reasonable access to the port to all third parties in the execution and performance of their duties or services under their respective agreements or licences with PPC;
- (b) allocate and contribute an annual sum to be determined by the Government from time to time which shall be used by the Government for the development and running of training programmes for ports in the region;
- (c) at its own cost and expense, maintain the buildings and other structures erected on the demised property in good repair and operating condition and in accordance with good engineering practice;
- (d) bear the costs for all dredging of the harbour and channel of the port in accordance with the development plan. PPCB shall ensure that such dredging works are carried out by a third party appointed by the Government and are in accordance with the development plan or as directed by the Government;
- (e) provide a total capital injection amounting to RM200,000,000 throughout the concession period; and
- (f) ensure a capital expenditure amounting to RM155,000,000 for the purpose of developing, operating and maintaining cruise services in SPCT.

The Penang Port Privatisation Agreement also imposes a duty on PPCB to ensure a minimum Bumiputra participation rate of at least 30.0% of the aggregate value of the supplies, services, or works in its contracts with third parties, both local and international, for supplies, services and works. Such third parties shall not be related or associated directly or indirectly with PPCB or the shareholders of PPCB.

Any consulting engineering firms or consulting architect firms appointed by PPCB for such related works shall also be registered in accordance with the requirements of the respective professional statutory bodies in Malaysia and registered with the MOF. PPCB is also prohibited from appointing any foreign professionals or foreign companies as consultants under the Penang Port Privatisation Agreement unless the Government is satisfied the services sought to be procured from such foreign professionals or companies as consultant are not presently available in Malaysia.

There are several circumstances pursuant to which the Penang Port Privatisation Agreement may be terminated. These include, if PPCB: (a) fails to carry out the business in accordance with the development plan or the performance; (b) suspends or abandons the whole of the business or any part thereof for a continuous period of six months; (c) assigns the rights and benefits of the Penang Port Privatisation Agreement without the prior written consent of PPC; (d) caused the lease agreement, sub-lease agreement or management of property agreement to be terminated due to its default under the said agreements; or (e) breaches any of its obligations or fails to comply with any other provisions of the Penang Port Privatisation Agreement.

7. BUSINESS OVERVIEW (Cont'd)

Under the above circumstances, PPC shall be entitled to give notice in writing to PPSB specifying the relevant default and requiring PPSB to remedy the default within a period specified in the default notice taking into account the nature of the remedy to be carried out.

If PPSB fails to remedy the relevant default within the remedy period or such other period as may be determined by PPC, PPC shall have the right to terminate the Penang Port Privatisation Agreement with immediate effect by giving notice to that effect to PPSB. If PPSB, or any of its personnel is convicted by a court of law for corruption or unlawful or illegal activities in relation to the Penang Port Privatisation Agreement or any other agreement that PPSB may have with PPC, PPC shall be entitled to terminate the agreement at any time, by giving immediate written notice to that effect to PPSB. PPC shall then be entitled to be indemnified by PPSB for all losses, costs, damages, and expenses (including any incidental costs and expenses) incurred by PPC arising from such termination.

The Penang Port Privatisation Agreement also allows the Government to terminate the Penang Port Privatisation Agreement by giving not less than six calendar months' notice to PPSB if it considers that such termination is necessary for national interest, in the interest of national security or for the purpose of government policy or public policy.

In the event the agreement is terminated, PPSB's rights to carry out its port business on Penang Port shall cease and PPC shall on its own, or in consultation with the Government appoint another party to take over and carry out the port business as it deems fit. All buildings and other structures erected thereon Penang Port shall vest absolutely in PPC without any compensation to PPSB.

PPSB shall at no cost and expense to PPC, hand over the business and all structures and facilities on Penang Port in a well-maintained and operational working condition within a period as specified by PPC and at PPSB's own cost vacate and remove from Penang Port all its personnel as well as equipment, machineries, and materials as PPC then may specify, within one month from the date of termination. PPSB shall also transfer to PPC all relevant documents and intellectual property as well as terminate all third-party contracts, with no liability to PPC.

The Penang Port Privatisation Agreement also provides for indemnity to PPC by PPSB for and against any damage, expense, liability, loss, claim or proceedings in respect of any personal injury to or death of any person, or injury or damage of any kind to any property real or personal, arising out of the execution of the port business of Penang Port provided such loss is also caused by any action, negligence or omission of PPC or its servants or agents.

(v) Tanjung Bruas Port Privatisation Agreement

TBPSB entered into the Tanjung Bruas Port Privatisation Agreement for the purpose of carrying out the business of operating, managing and providing the port operation at the Tanjung Bruas Port. The concession period for the Tanjung Bruas Port was for an initial period of 30 years and shall expire on 20 November 2046. It was subsequently extended to 23 March 2055.

7. BUSINESS OVERVIEW (Cont'd)

In consideration of TBPSB carrying out the business of operating, managing and providing the port operation at the Tanjung Bruas Port throughout the concession period, and subject to the terms and conditions of the Tanjung Bruas Port Privatisation Agreement, TBPSB is required to pay MPA: (a) annual lease rentals or annual sub-lease rentals (as the case may be) for the demised property as set out in the Tanjung Bruas Port Privatisation Agreement; (b) annual licence fee as stipulated in the licence; (c) annual threshold payment as set out in the Tanjung Bruas Port Privatisation Agreement; (d) a one-off payment of RM5,000,000 as agreed by TBPSB and MPA; (e) a payment of RM86,432.96 being the value of the assets as set out in the Tanjung Bruas Port Privatisation Agreement; and (f) a payment of RM151,566.80 being the cost of major improvement works to the Tanjung Bruas Port as set out in the Tanjung Bruas Port Privatisation Agreement.

The Tanjung Bruas Privatisation Agreement imposed certain terms and conditions on TBPSB, that throughout the concession period, TBPSB shall, among others:

- (a) perform and carry out its obligations under the Tanjung Bruas Port Privatisation Agreement diligently and efficiently in accordance with the performance standard;
- (b) maintain all necessary books, accounts and records and ensure that proper records are maintained at all times and that such records are at all reasonable times available for inspection by the authorised officers or auditors of the Government and/or MPA; and
- (c) provide suitably qualified personnel for the implementation of the concession.

Additionally, where TBPSB enters into contracts with third parties, both local and international, for supplies, services and works, the Bumiputera contents shall be at least 30.0% of the aggregate value of the supplies, services or works as the case may be, and that third parties shall not be related or associated directly or indirectly with TBPSB or the shareholders of TBPSB. TBPSB is also prohibited from appointing any foreign professionals or foreign companies as consultants unless the Government is satisfied the services sought to be procured from such foreign professionals or companies as consultant are not presently available in Malaysia.

TBPSB undertakes and covenants with the Government and MPA that for the duration of the Tanjung Bruas Port Privatisation Agreement, it will not carry on or undertake any business other than the concession.

There are several circumstances pursuant to which the Tanjung Bruas Port Privatisation Agreement may be terminated. These include, if TBPSB:

- (a) fails to carry out the port operation in accordance with the development plan or the performance standard;
- (b) suspends or abandons the whole or any part of the port operation for a continuous period of three months;
- (c) refuses, fails or neglects to pay:
 - (i) the annual lease rental for the demised property as set out in the Tanjung Bruas Port Privatisation Agreement;
 - (ii) licence fee; or
 - (iii) annual threshold payment as set out in the Tanjung Bruas Port Privatisation Agreement; or

7. BUSINESS OVERVIEW (Cont'd)

- (d) is in breach of any of its obligations or fails to comply with any other provision, obligation, covenant, warranty or undertaking under the Tanjung Bruas Port Privatisation Agreement.

Under the above circumstances, MPA is then entitled to give notice in writing to TBPSB specifying the relevant default and requiring TBPSB to remedy the default within a period specified in the default notice taking into account the nature of the remedy to be carried out. If TBPSB fails to remedy the relevant default within the remedy period or such other period as may be determined by MPA, MPA shall have the right to terminate the Tanjung Bruas Port Privatisation Agreement with immediate effect by giving notice to that effect to TBPSB.

MPA also has the right to immediately terminate the Tanjung Bruas Port Privatisation Agreement by giving notice to that effect to TBPSB, if TBPSB:

- (a) causes the port licence granted to TBPSB to be revoked in accordance with the provisions of the Ports PA 1990;
- (b) assigns the rights and benefits of the Tanjung Bruas Port Privatisation Agreement without the prior written consent of MPA;
- (c) causes the lease agreement or sub-lease agreement to be terminated due to its default under the said agreements;
- (d) is subject to an order made against it or a resolution passed for the winding up of TBPSB, except for the purpose of reconstruction or amalgamation;
- (e) enters into liquidation or a receivership whether compulsorily or voluntarily;
- (f) makes an assignment for the benefit of its creditors or does any act which adversely affects its ability to fulfil its obligations under Tanjung Bruas Port Privatisation Agreement; or
- (g) cause the execution to be levied against a substantial portion of TBPSB's assets, unless it has instituted proceedings in good faith to set aside such execution.

On the other hand, if MPA, without reasonable cause, fails to perform or fulfill any of its obligations which adversely affect the right and authority of TBPSB to perform the concession, then TBPSB may give notice to MPA of its intention to terminate the concession by giving six months' notice or such other period as may be agreed by the parties and that effect to MPA, provided always notwithstanding TBPSB's right to give notice, MPA may request for an extension of time to rectify its default or remedy such breach thereof, in which case TBPSB shall grant such reasonable extension for a period to be mutually agreed by the parties.

If MPA fails to remedy the relevant event of default referred to above within the period of six months or such other period as may be agreed by the parties, TBPSB may by written notice, for so long as the relevant default or event is continuing, terminate the Tanjung Bruas Port Privatisation Agreement which shall take effect 30 days after the date of such written notice.

Notwithstanding any provision in the Tanjung Bruas Port Privatisation Agreement, the Government may at any time during the concession period, terminate the Tanjung Bruas Port Privatisation Agreement by expropriating the concession by giving not less than six months' notice to that effect to TBPSB if the Government considers that such expropriation is in the national or public interest or national security.

7. BUSINESS OVERVIEW (Cont'd)

Upon termination of the Tanjung Bruas Port Privatisation Agreement, the right and licence granted to TBPSB to carry out port operation on Tanjung Bruas Port shall expire. TBPSB shall cease its operations of Tanjung Bruas Port and TBPSB's rights in respect of the port operation shall revert to and vest in the Government and MPA. The lease agreements and sub-lease agreements shall automatically be terminated and Tanjung Bruas Port shall revert to MPA at no cost to MPA.

MPA is then entitled to take over port operations at Tanjung Bruas Port on its own or appoint a new port operator. All buildings, structures and assets erected on Tanjung Bruas Port, whether wholly or partly completed, shall revert to MPA without compensation to TBPSB. TBPSB is also required to settle all outstanding dues with MPA and vacate and hand over Tanjung Bruas Port, including any relevant documents and intellectual property, as well as remove its personnel and any equipment specified by MPA. Any subsisting third party contracts shall also be terminated at TBPSB's own expense.

Pursuant to the Tanjung Bruas Port Privatisation Agreement, TBPSB shall also keep MPA and the Government indemnified for and against (among others) all actions, suits, claims or demands, liabilities, proceedings, losses, damages, compensation, costs (including legal costs), charges and expenses whatsoever to which the Government and/or MPA shall or may be or become liable in respect of or arising from the port operations of Tanjung Bruas Port.

7.23.2 Lease Agreements

The Privatisation Agreements also designate the Concession Lands to be leased by the respective port companies. Pursuant to the Privatisation Agreements, the Lease Agreements were entered into between (1) the respective port companies; and (2) the relevant port authorities for the lease of the Concession Lands. The port companies are generally required to register such lease pursuant to the National Land Code, 1965 of Malaysia.

(i) PTP Lease Agreement

Further to the PTP Privatisation Agreement, PTPSB has also entered into the PTP Lease Agreement with JPA, for the port area of PTP (as delineated in the PTP Privatisation Agreement). The period of the lease is co-terminus with the concession period pursuant to the PTP Privatisation Agreement.

Pursuant to the PTP Lease Agreement, a total lease rental of approximately RM806.9 million is required to be paid by PTPSB to JPA during the concession period, taking into account an increment at the rate of 10.0% per annum of the preceding annual lease rental for every five years from 2010 onwards.

In addition to the lease rental payable specified above, PTP is also required to pay to JPA an additional annual rental of: (a) RM1 per TEU for each and every additional TEU exceeding 4,500,000 TEUs handled through PTP's port annually; and (b) 50 sen for each and every additional tonnes exceeding 500,000 tonnes of uncontainerised cargo handled through PTP annually.

There are several circumstances pursuant to which the PTP Lease Agreement may be terminated. Such circumstances include (amongst others) the following events:

- (a) If the PTP Port Privatisation Agreement is terminated.

7. BUSINESS OVERVIEW (Cont'd)

- (b) If JPA in the national interest at any time requires the port area of PTP or any part thereof, JPA may determine the lease by giving a notice of at least 12 months in writing to PTPSB, and upon the expiration of such notice, this lease shall cease and be determined. JPA shall then compensate PTPSB for the remaining period of the unexpired term of the lease at a valuation mutually agreed upon between the parties.
- (c) Subject to the relevant provisions of the National Land Code or its amendments from time to time, if:
 - (1) PTPSB fails to pay the lease rental as per the PTP Lease Agreement;
 - (2) PTPSB breaches any of its obligations under the PTP Lease Agreement;
 - (3) the port licence issued to PTPSB pursuant to the PTP Privatisation Agreement is terminated or revoked;
 - (4) PTPSB discontinues its operations on the land or cease to use the land for the purposes covenanted pursuant to the PTP Lease Agreement (save where such discontinuance and cessation is brought about by force majeure);
 - (5) PTPSB goes into liquidation or insolvent or is wound up (except for the purposes of reconstruction or amalgamation); or
 - (6) execution is levied against PTPSB's business, goods or property which materially affects PTP's business.

Under the above circumstances, JPA is entitled to re-enter upon the port area of PTP and thereupon the PTP Lease Agreement shall be determined.

Upon the expiry of the concession period or termination of the PTP Lease Agreement, all buildings and fixtures erected within the port area of PTP will become the property of JPA. PTPSB is also required to hand over the port area of PTP, together with all fixtures, in good working condition to JPA.

Pursuant to the PTP Lease Agreement, PTP shall, among others, indemnify and keep indemnified JPA from and against all actions, proceedings, claims, demands, damages, losses, expenses, and costs to which JPA may be subjected to in any manner arising out of the occupation and use of the land by PTP.

(ii) Johor Port Lease Agreement

Further to the Johor Port Privatisation Agreement, JPA and JPB has entered into the Johor Port Lease Agreement whereby JPB was granted a lease on the lands designated as the port area of Johor Port (as annexed as a schedule in the Johor Port Privatisation Agreement). The term for the lease of the lands is subject to the continued existence of the concession granted by the Government and the licence granted by JPA to JPB pursuant to the Johor Port Privatisation Agreement. Although the Johor Port Lease Agreement is not co-terminus with the extended concession period of the Johor Port Privatisation Agreement, JPB and JPA will enter into a tenancy or supplemental agreement to align the lease term with the extended concession period in accordance with the terms of the Johor Port Privatisation Agreement.

7. BUSINESS OVERVIEW (Cont'd)

Pursuant to the Johor Port Lease Agreement, the total lease rental required to be paid by JPB to JPA during the concession period is approximately RM1.3 billion. The annual rental sum for the lands is subject to an increase at the rate of 10.0% per annum of the preceding annual rental sum for every five years.

There are several circumstances pursuant to which the lease agreement may be terminated. Such circumstances include (amongst others) the following events:

- (a) If the Johor Port Privatisation Agreement is terminated.
- (b) If JPA at any time requires the land or any part thereof, for any purpose whatsoever, JPA may determine the lease in respect of the Land or any part thereof, by giving a notice of not less than 12 months in writing to JPB, and upon the expiration of such notice, this lease shall cease and be determined. In such event, JPA shall pay JPB the value to be determined by an independent auditor appointed by the Government after due consultation with JPB.
- (c) Subject to the relevant provisions of the National Land Code or its amendments from time to time, if:
 - (1) JPB fails to pay the lease rental as per the Johor Port Lease Agreement;
 - (2) JPB breaches any of its obligations under the Johor Port Lease Agreement;
 - (3) JPB discontinues its operations on the land and/or cease to use the land for the purposes covenanted pursuant to the Johor Port Lease Agreement for a continuous period of six months (save where such discontinuance and cessation is brought about by force majeure);
 - (4) a resolution is passed or an order is made for the winding up of JPB (except for the purposes of reconstruction or amalgamation not involving the realisation of assets in which the interest of the creditors are protected);
 - (5) JPB goes into liquidation or receivership; or
 - (6) execution is levied against a substantial portion of JPB's assets, unless it has instituted proceedings in good faith to set aside such execution.

Under the above circumstances, JPA shall be entitled to give notice in writing to JPB specifying the relevant default and requiring JPB to remedy the default within 30 days (or such longer period as JPA may agree). If JPB fails to remedy the relevant default within the remedy period or such other period as may be determined by JPA, JPA will have the right to terminate the lease agreement at any time by giving notice to that effect to JPB.

- (d) Notwithstanding any other provisions in the Johor Port Lease Agreement, JPB may, at any time during the lease period, terminate the lease by giving a notice of at least 12 months in writing to JPA, and upon the expiration of such notice, this lease will cease and be determined.

7. BUSINESS OVERVIEW (Cont'd)

Upon the expiry of the concession period or termination of the Johor Port Lease Agreement, the land and/or any interest thereof will revert to or be vested in JPA at no cost and expense to JPA. JPB will then redeem any mortgage, charge or any encumbrance created on the land as at the date of the termination at no cost to JPA and JPB shall transfer the lease to JPA free from any mortgage, charge or any other encumbrance. All buildings, structures and fixtures erected by JPB on the land shall become the property of JPA and handed over in good condition.

Pursuant to the JPB Lease Agreement, JPB shall, among others, indemnify JPA (including the parties hereto and their agents, officers, employees, or workmen) from and against suits, actions, claims, demands, damages, losses, expenses, and costs of every kind and description to which JPA may be subjected to in any manner arising out of the occupation and use of the land by JPB and/or the act or negligence of JPA.

(iii) Northport Lease Agreement

NMB entered into the Northport Lease Agreement for the lease on the port area of Northport for a period of 30 years expiring on 30 November 2043. Pursuant to the Northport Lease Agreement, NMB is required to pay PKA a total lease rental of approximately RM3.1 billion, taking into account a triennial increment of 10.0%. The Northport Lease Agreement is co-terminus with the extended concession period, and for such extended period, the lease value shall be determined by the Valuation and Property Services Department (a department of the MOF) at the prevailing market value and at a date no later than 12 months before 1 December 2043.

There are several circumstances pursuant to which the lease agreement may be terminated. Such circumstances include (amongst others) the following events:

- (a) Subject to the relevant provisions of the National Land Code or its amendments from time to time, if:
 - (1) NMB fails to pay the annual lease rental as per the Northport Lease Agreement;
 - (2) NMB breaches any of its obligations under the Northport Lease Agreement;
 - (3) NMB discontinues its operations or ceases to use the demised property for the purposes covenanted pursuant to the Northport Lease Agreement for a continuous period of six months (save where such discontinuance and cessation is brought about by force majeure);
 - (4) NMB assigns the whole or any part of the lease agreement save and except in relation to the assignment pursuant to the lease agreement;
 - (5) a resolution is passed or an order is made for the winding up of NMB (except for the purposes of reconstruction or amalgamation not involving the realisation of assets in which the interest of the creditors are protected);
 - (6) NMB goes into liquidation or receivership; or
 - (7) execution is levied against a substantial portion of NMB's assets, unless it has instituted proceedings in good faith to set aside such execution.

7. BUSINESS OVERVIEW (Cont'd)

Under the above circumstances, PKA is entitled to give notice in writing to NMB specifying the relevant default and requiring NMB to remedy the default within 30 days (or such longer period as PKA may agree) from the date of receipt of the said notice.

- (b) If NMB fails to remedy the relevant default within the 30 days period (or such longer period as PKA may agree), PKA may terminate the Northport Lease Agreement at any time thereafter by giving notice to that effect to PKA.
- (c) In the event the privatisation agreement or the licence granted pursuant to the privatisation agreement is terminated or revoked, the Northport Lease Agreement shall be forthwith terminated.
- (d) PKA may terminate the lease agreement by written notice giving at least 30 days' notice to that effect to NMB (without any obligation to give any reason thereof) if PKA considers that such termination is necessary for national interest.

Upon expiry of the concession period or termination of the Northport Lease Agreement, the demised property and/or any interest thereof shall revert to or be vested in PKA at no cost and expense to PKA, and all buildings, structures and fixtures erected by NMB on the demised property shall without any payment, costs, compensation or damages whatsoever to NMB become the property of PKA at the expiry of the lease and shall be handed over to PKA good tenantable repair and condition.

Pursuant to Northport Lease Agreement, NMB shall, among others indemnify PKA, (including the parties thereto and their agents, officers, employees or workmen) from and against suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description to which PKA may be subjected to in any manner arising out of the occupation and use of the demised property by NMB and/or the act of default of PKA.

(iv) Penang Port Lease Agreement

PPSB and PPC had entered into the Penang Port Lease Agreement for the lease of the lands (namely the cargo area, ferry area, SPCT area and additional cargo area of Penang Port). The lease period is co-terminus with the concession period of the Penang Port Privatisation Agreement and includes any extension as may be granted by PPC from time to time.

Pursuant to the Penang Port Lease Agreement, the total lease rental required to be paid by PPC to PPSB during the concession period is approximately RM980.6 million, subject to a further determination and mutual agreement on the lease rental of 2024 and onwards between PPC and PPSB. The annual lease rental is based on the prevailing market value as determined by the Valuation and Property Services Department.

In addition to the lease rental, a threshold rent is also required to be paid by PPC to PPSB as follows:

- (a) from 21 November 2013 until 31 December 2023, 5 sen for each tonne of cargo exceeding 20 million tonnes handled through the port annually as certified by the auditor of PPC; and
- (b) from 1 January 2024 until 31 December 2041, an amount to be determined by PPC in consultation with PPC for each tonne of cargo exceeding 20 million tonnes handled through port annually as certified by the auditor of PPC.

7. BUSINESS OVERVIEW (Cont'd)

A passenger fee of RM1 is also required to be paid for each and every passenger handled through the SPCT for those years as certified by the auditor of PPSB.

There are several circumstances pursuant to which the lease agreement may be terminated. Such circumstances include (amongst others) the following:

- (a) Subject to the National Land Code and its amendments from time to time, if:
 - (1) PPSB fails to pay the annual lease rental as per the Penang Port Lease Agreement;
 - (2) PPSB breaches any of its obligations under the lease;
 - (3) PPSB discontinues its operations or ceases to use the demised property for purposes covenanted therein the Penang Port Lease Agreement for a continuous period of six months (save where such discontinuance and cessation is brought about by force majeure);
 - (4) a resolution is passed or an order is made for the winding up of PPSB (except for the purposes of reconstruction or amalgamation not involving the realisation of assets in which the interest of the creditors are protected);
 - (5) PPSB goes into liquidation or receivership; or
 - (6) execution is levied against a substantial portion of PPSB's assets, unless it has instituted proceedings in good faith to set aside such execution,

then PPC shall be entitled to give notice in writing to PPSB specifying the relevant default and requiring PPSB to remedy the default within 30 days (or such longer period as PPC may agree) from the date of receipt of the said notice.

- (b) If PPSB fails to remedy the relevant default within the 30 days period (or such longer period as PPC may agree), PPC may terminate the lease agreement at any time thereafter by giving notice to that effect to PPSB.
- (c) If PPC at any time during the lease period requires the demised property or any part thereof, for any purpose whatsoever, then PPC may, at any time during the lease period, determine the lease in respect of the demised property or any part thereof by giving not less than 12 months prior notice in writing to PPSB and upon the expiration of such notice the lease shall cease and be determined. PPC may also terminate the lease by giving not less than 30 days notice to that effect to PPSB in the event that the privatisation agreement is terminated for national interest. Upon PPC exercising its rights of such early termination, PPSB shall be entitled to compensation.
- (d) PPSB may, at any time during the term of the lease, terminate the lease agreement in respect of the demised property or any part thereof, by giving notice of not less than 12 months in writing to PPC and upon the expiration of such notice the lease agreement shall cease and be determined.
- (e) In the event the Penang Port Privatisation Agreement or the licence granted pursuant to the Penang Port Privatisation Agreement is terminated or revoked, the Penang Port Lease Agreement shall also be forthwith terminated.

7. BUSINESS OVERVIEW (Cont'd)

Upon expiry of the concession period or termination of the Penang Port Lease Agreement, the demised property and/or any interest thereof will revert to or be vested in PPC at no cost and expense to PPC; and all buildings, structures and fixtures erected by PPSB on the demised property will without any payment, costs, compensation or damages whatsoever to PPSB become the property of PPC at the expiry of PPC and be handed over to PPC in good condition.

Pursuant to Penang Port Lease Agreement, PPSB shall indemnify PPC (including the parties hereto and their agents, officers, employees or workmen) from and against suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description to which PPC may be subjected to in any manner arising out of the occupation and use of the demised property by PPSB under the lease agreement and/or the act of negligence of PPC.

(v) Tanjung Bruas Port Lease Agreement

TBPSB entered into the Tanjung Bruas Port Lease Agreement with MPA for the lease on the lands identified therein as the demised property of Tanjung Bruas Port. The lease period of the lands are co-terminus with the concession period pursuant to the Tanjung Bruas Port Privatisation Agreement.

The total lease rental required to be paid by TBPSB to MPA is approximately RM64.8 million. The lease rental is subjected to an increment of 10.0% for an interval of every three years.

In the event that TBPSB defaults in paying the lease rental within the stipulated due date referred to in the Tanjung Bruas Port Lease Agreement, TBPSB shall be liable to pay to MPA a late payment interest at the rate of 8.0% per annum on any outstanding lease rental calculated on a daily basis from the due date until the date of actual payment for the full amount of the said outstanding amount in addition to such lease rental due and owing to MPA.

There are several circumstances pursuant to which the Tanjung Bruas Port Lease Agreement may be terminated. These include, subject to the National Land Code and its amendments from time to time, if:

- (a) TBPSB fails to pay the annual lease rental as per the Tanjung Bruas Port Lease Agreement.
- (b) TBPSB breaches any of its obligations under the Tanjung Bruas Port Lease Agreement.
- (c) TBPSB discontinues its operations or ceases to use the demised property for purposes covenanted therein the Tanjung Bruas Port Lease Agreement for a continuous period of six months (save where such discontinuance and cessation is brought about by force majeure).
- (d) TBPSB assigns the whole or any part of the Tanjung Bruas Port Lease Agreement save and except in relation to the assignment pursuant to the Tanjung Bruas Port Lease Agreement.
- (e) A resolution is passed or an order is made for the winding up of TBPSB (except for the purposes of reconstruction or amalgamation not involving the realisation of assets in which the interests of the creditors are protected).
- (f) TBPSB goes into liquidation or receivership.
- (g) Execution is levied against a substantial portion of TBPSB's assets, unless it has instituted proceedings in good faith to set aside such execution.

7. BUSINESS OVERVIEW (Cont'd)

Under the above circumstances, MPA shall be entitled to give notice in writing to TBPSB specifying the relevant default and requiring TBPSB to remedy the default within 30 days (or such longer period as MPA may agree) from the date of receipt of the default notice. If TBPSB fails to remedy the relevant default within the 30 days period (or such longer period as MPA may agree), MPA may terminate the Tanjung Bruas Port Lease Agreement at any time thereafter by giving notice to that effect to TBPSB.

In the event the Tanjung Bruas Port Privatisation Agreement or the licence granted pursuant to the Tanjung Bruas Port Privatisation Agreement is terminated or revoked as the case may be, the Tanjung Bruas Port Lease Agreement shall be forthwith terminated.

Upon expiry of the concession period or termination of the Tanjung Bruas Port Lease Agreement, the demised property and/or any interest thereof shall revert to or be vested in MPA at no cost and expense to MPA, and all buildings, structures and fixtures erected by TBPSB on the demised property shall without any payment, costs, compensation or damages whatsoever to TBPSB become the property of MPA and be handed over to MPA in good tenable repair and condition.

Pursuant to the Tanjung Bruas Port Lease Agreement, TBPSB shall, among others indemnify MPA (including the parties thereto and their agents, officers, employees and workmen) from and against suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description to which MPA may be subjected to in any manner arising out the occupation and use of the demised property by TBPSB and/or the act of default of MPA.

7.24 ENVIRONMENTAL MATTERS

During the Financial Years Under Review and from 1 January 2025 to the LPD, there has not been any environmental issues which may materially affect our Group's operations and usage of properties tenanted by our Group.

7.25 ESG PRACTICES AND INITIATIVES

We view sustainability as an essential part of our business strategy, and we are committed to integrating sustainable practices throughout our Group. This includes executing well-defined framework and strategies to advance our ESG agenda.

Our Group's ESG practices strive to align with Malaysian and international standards, amongst others, MCCG and the recognised standards set by the International Sustainability Standards Board. Our Group intends to report our progress and performance of our ESG practices in line with the Malaysia's National Sustainability Reporting Framework (NSRF) and IFRS Sustainability Disclosure Standards set by the International Sustainability Standards Board, specifically IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

We strive to adhere to good ESG practices, and some of the key aspects of these practices are outlined below.

7. BUSINESS OVERVIEW (Cont'd)

7.25.1 Governance

Our Board is committed to achieving and sustaining a high standard of corporate governance. We have implemented practices in line with the MCCG focusing on board leadership and effectiveness, effective audit and risk management, and integrity in corporate reporting, while fostering meaningful stakeholder relationships. As at the date of the prospectus, we have met the MCCG's recommendations by ensuring at least 30.0% of our directors are female and maintaining a majority of independent directors. Reinforcing our ESG focus, our Board and Chief Executive Officer provide strategic oversight and guidance on sustainability initiatives, supported by our Group's ESG Committee and a dedicated ESG strategy and disclosure lead, with sustainability-related key performance indexes embedded in our Chief Executive Officer's annual performance reviews. At the operational level, each port maintains a dedicated sustainability team responsible for managing critical ESG domains, including climate and energy management, human development and labour rights, and ESG progress, disclosures, and communications, with progress regularly reported to their respective operating company's board of directors for oversight and guidance.

We have adopted policies to guide our Group's business activities, ensuring widespread acceptance and understanding of our ideals and goals. These include policies such as our Code of Ethics, Directors' Fit and Proper Policy, Committees' Terms of Reference, Related Party Transactions Policies and Procedures, Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy. All operating companies have embedded sustainability and environmental practices into their health, safety, security and environment policy, aiming to protect the environment and minimise impact by adhering to relevant standards, laws, and regulations. PTPSB has established its sustainability framework and targets, while JPB, NMB, and PPSB are in the process of drafting and finalising theirs. These frameworks and targets are designed to guide the implementation of sustainability initiatives, address material issues raised by stakeholders, and ultimately enhance non-financial performance.

Our Group strictly condemns all forms of corruption and bribery in all levels of our organisation. The Anti-Bribery and Anti-Corruption Policy serves as a guideline for our Group's integrity and governance structure, which allows the implementation of necessary measures for preventing corruption and bribery, and to maintain compliance with the Malaysian Anti-Corruption Commission Act 2009. Our Group also conducts a corruption risk assessment process to identify main processes and areas throughout our business structure that are vulnerable to corruption risks. For each identified risk, our Group establishes mitigation measures and assigns them a risk rating. This rating is properly registered for monitoring and quarterly review by the risk owners, mitigation owners, and control owners before approval by the relevant heads of department. Our employees are regularly provided with training to equip them with the knowledge and skills to uphold integrity.

Our Code of Ethics is a foundational framework that sets clear expectations for ethical business conduct, guiding employees on how to maintain the highest standards of professionalism and integrity in all business interactions. It covers several key topics, including professional standards of conduct, the process and values of disciplinary actions, our approach towards gifts and sponsorships, the importance of confidentiality, and procedures for handling discrimination and sexual harassment.

To promote our internal corporate governance and transparency, we have established a Whistleblowing Policy, allowing individuals to safely and confidentially report instances of improper conduct, such as fraud, corruption, and bribery.

Data privacy and security are critical components of our governance framework, with stringent measures in place to protect customer information, resulting in no reported breaches in the Financial Years Under Review. These governance initiatives reflect our commitment to maintaining high ethical standards, transparency, and accountability, ensuring trust and integrity in all operations.

7. BUSINESS OVERVIEW (Cont'd)

The ports' focus on ethical supply chain management and adherence to international standards further underscores their dedication to maintaining high governance standards. Through these detailed initiatives, we aim to demonstrate our leadership in sustainable port management, balancing environmental stewardship, social responsibility, and strong governance to drive long-term success and resilience.

Succession planning is an important aspect of organisational growth. It ensures smooth transitions in leadership within our Group, addressing vacancies due to retirements, promotions, or unexpected events. This strategic planning allows us to retain talent and preserve our Group's tacit knowledge. We take a committed approach towards succession planning that identifies and nurtures employees with suitable qualities. Employees are provided with development programme to take on more advanced roles within our Group.

7.25.2 Environmental

We believe that adopting a responsible approach to the environment is important not only for the long-term viability of our Group but also for the welfare of our stakeholders. We recognise the unique environmental challenges and responsibilities inherent in our industry and are actively pursuing measures to reduce the environmental impact of our operations.

We review the productivity of our business operations against our overall environmental impact. This involves measuring the environmental impact, particularly carbon emissions, electricity, and water consumption, against our revenue. By doing this, we are able to determine its overall environmental footprint, while helping us to track our operational efficiency and highlight areas for potential improvement. During FYE 31 December 2023 (which is the last year for which data is available as of the date of this Prospectus), our carbon emissions intensity was approximately 0.295 tonnes of carbon dioxide equivalent per RM1,000 of revenue, our electricity intensity was approximately 213.56 kWh per RM1,000 of revenue, and our water intensity was approximately 3.646 m³ per RM1,000 of revenue.

We have integrated certain environmentally sustainable principles, policies and practices into the operations. For example, Penang Port has implemented Environmental Management System (EMS). Additionally, specific waste management frameworks guide operations and fosters consistency and regulatory alignment.

7.25.2.1 Energy consumption

The primary energy sources in our business are fossil fuel and electricity. Fossil fuel, especially diesel, is a common power source in our industry generally. This is because most machinery, equipment, and vehicles run on diesel. We also have vehicles that run on petrol. Grid electricity is the primary source of energy for buildings within our port areas. Certain machines and equipment also rely on electricity to operate. The emissions generated from this energy consumption consists of direct emissions resulting from energy consumption within our company (including consumption of fossil fuels), indirect emissions from our energy consumption that are not generated on site (for example, emissions from power plants located elsewhere to provide grid electricity) and other indirect emissions (encompassing a wide range of emissions not directly produced by us but resulting from our operations (for example, emissions across our supply chain).

We approach energy management by focusing on optimising the efficiency of existing equipment and transitioning to more energy-efficient alternatives. One initiative that we have adopted is to gradually shift from traditional RTG cranes to hybrid models. This reduces their reliance on fossil fuels and cuts emissions for greener port operations. Alongside equipment changes, there is a concentrated effort to increase the use of renewable energy. This includes installing solar panels within our premises to supplement energy consumption with solar energy.

7. BUSINESS OVERVIEW (Cont'd)

Each of our ports takes an active role in managing its own energy consumption. Each port has tailored its energy management strategies to align with its operational needs and sustainability goals, focusing on energy efficiency, renewable energy adoption, and compliance with relevant regulations. PTP has conducted a baseline study to establish a carbon inventory and has developed a decarbonisation framework and roadmap. The port is focused on comprehensive adoption of decarbonisation strategies throughout its operations. In collaboration with the authorities and energy suppliers, PTP has facilitated the refuelling of ships with renewable fuels such as liquified natural gas bunkering at the anchorage, SIMOPS (Simultaneous Operations) liquified natural gas bunkering at berth, 100.0% pure (B100) biodiesel bunkering, and methanol bunkering. Johor Port has adopted the Quality, Health, Safety, and Environmental Policy and Johor Port Authority's Green Port Policy. The port is focused on reducing diesel usage intensity by optimising equipment usage and increasing reliance on renewable energy generation to supplement energy consumption. Northport complies with the Efficient Management of Electrical Energy Regulations (EMEER) 2008. The port ensures verification and approval of electrical energy data before submission to the Energy Commission every six months. Penang Port is committed to 'greening' port equipment and adopting renewable energy to optimise energy consumption. The port is developing an Integrated Environmental Management System, which includes a Quality Management System, Occupational Health and Safety System, Anti-Bribery System, and a new Environmental Management System. This integrated system aims to streamline processes, enhance environmental performance, and ensure compliance, providing a holistic view of the port's operations. Energy management at Tanjung Bruas Port is covered under the Health, Safety, and Environment (HSE) Policy. The port is looking into the optimisation of energy consumption.

We prioritise energy efficiency and the integration of renewable energy across our facilities. At PTP, we believe that the transition to electrified RTGs is a pivotal step in reducing diesel consumption, complemented by ongoing solar energy projects aimed at supplementing power needs. Through the digitalisation of its assets, PTP has enhanced operational efficiency, leading to reduced diesel consumption. In FYE 31 December 2024, PTP achieved a 15.0% reduction in carbon intensity compared to its baseline in FYE 31 December 2021 by optimising operational efficiency. Johor Port has successfully installed solar photovoltaic systems on its warehouse rooftops, generating over 1,200 Megawatt-hours of electricity. Additionally, Johor Port has enhanced energy efficiency through the implementation of LED lighting and a supervisory control and data acquisition system for energy management. Northport has installed solar panels on warehouse rooftops, introduced electric vehicle motorcycles and patrol cars, replaced conventional bulbs with LED lighting to enhance energy efficiency, procured electrified RTGs and is actively pursuing ISO 14001 certification to further enhance its energy management practices. Northport also plans to pursue ISO 50001 certification to improve its environmental performance through more efficient use of resources and reduction of waste. Northport also has a control room equipped with artificial intelligence analytics to enhance operational efficiency.

7.25.2.2 Carbon emissions

Climate change poses significant risks to us, impacting our operations and exposing us to environmental risk. These range from disruptions due to extreme weather events to regulatory concerns about greenhouse gas emissions. In response, we aligned ourselves with international climate agreements, like the Paris Agreement, as well as Malaysia's national climate ambitions.

A key strategy in climate management is energy efficiency, as almost all our emissions come from energy consumption. We can greatly reduce their carbon footprint by optimising energy and shifting to renewable sources. More information on this can be referred to Section 7.25.2.1 above.

7. BUSINESS OVERVIEW (Cont'd)

In addition, we are addressing carbon emissions through various strategic initiatives. PTP has established a decarbonisation framework and roadmap, aiming for comprehensive adoption of decarbonisation strategies. Johor Port is focused on achieving a reduction in emission intensity for direct and certain indirect emissions. Northport and Penang Port have established their own respective decarbonisation targets. Additionally, some ports, such as Northport, are conducting baseline carbon footprint studies to establish emissions source inventories, while PTP is conducting climate risk assessments to better manage risks posed by climate change.

7.25.2.3 Water consumption

We are committed to responsible water management throughout our operations. Conserving water is not only vital for the natural environment but also for ensuring the viability of industries and communities.

We value water efficiency and aim to minimise wastage. This, in turn, drives our environmental sustainability strategy while allowing for cost reduction throughout operations. We rely almost exclusively on municipal water sources for their supply. While there are instances when other sources, such as seawater or recycled water, are used, municipal water is the main source of water used for internal consumption and provided to vessels. To optimise this consumption, each of our seaports has its own water management strategy and water management plan. This allows them to monitor progress and identify opportunities for improvement. Northport, Penang Port and Johor Port are currently implementing non-revenue water management projects. In addition, Northport is undertaking a monitoring project to explore the need for rainwater harvesting systems to minimise wastage. PTP is planning to establish a water recycling centre, aiming for 50.0% recycled water usage on-site by the FYE 31 December 2040. Marine water quality analysis is being conducted by Northport, and Johor Port has focused on efficient water consumption through rainwater entrapment and drip irrigation systems.

Our ports that receive effluents from vessels, such as Northport, do so through on-site port reception facility. Effluents, including sewage waste, are treated according to environmental standards before being discharged. This discharged water is also regularly monitored and assessed to ensure compliance with regulatory standards.

Rainwater harvesting systems is also implemented at certain of our ports to conserve water and decrease reliance on municipal water sources. Captured and recycled rainwater is used for non-potable functions such as general cleaning and landscaping. This conserves water and saves costs by reducing the need for municipal piped water.

7.25.2.4 Waste management

Water management is a critical focus. Our approach to waste management is led by each port's commitment to transitioning to a circular economy model. This involves minimising consumption and waste while promoting reuse, recycling, and resource recovery. Waste, including those collected from vessels, is typically segregated on-site in accordance with reuse, recycle and recover principles. We take care to ensure waste handling, storage, and disposal are done in adherence to the guidelines set by Malaysia's Department of the Environment. This waste is collected and sent to disposal by certified third-party contractors.

Waste management practices are robust, with PTP achieving approximately 74.8% waste efficiency by FYE 31 December 2024 through initiatives such as the "Single Use Plastic" campaign and community recycling centre. Regarding hazardous waste materials such as oily sludge, used chemicals, and contaminated containers, which require careful handling and disposal to prevent environmental and health hazards, Johor Port has established a set of standard operating procedures for the handling and management of such scheduled wastes, in compliance with the Environmental Quality (Scheduled Wastes) Regulations of 2005. Additionally, in order to centralise the management and storage of scheduled wastes produced by ports, Johor Port will send

7. BUSINESS OVERVIEW (Cont'd)

the scheduled wastes to the dedicated port reception facilities established within its port area. At Johor Port, such waste is documented using systems such as the electronic scheduled waste information system, ensuring compliance with the Environmental Quality (Amendment) Act 2024 and other regulatory requirements. Waste is carefully contained on-site before being collected by waste collectors licensed by the Department of Environment of Malaysia and transported to certified disposal facilities. Liquid waste, including wastewater, is managed through specialised facilities such as oil interceptors and sewage treatment plants. This includes Northport's Port Reception Facilities, which were established in 2020, and Port Reception Facilities at Johor Port, which underwent testing and commissioning at the end of the FYE 31 December 2024 and are scheduled to begin operations by the third quarter of the FYE 31 December 2025. These facilities are expected to serve as pre-treatment facilities for waste from ships and ports, further enhancing waste management capabilities and proper disposal of maritime waste. Penang Port has also implemented a set of environmental policies in accordance with ISO140001:2015 to handle and manage the hazardous waste. As part of our commitment to environmental stewardship and climate resilience, we are partnering with the Johor National Park Corporation to restore 13.4 hectares of mangroves in Tanjung Piai (Johor) National Park.

7.25.2.5 Biodiversity

As part of our commitment to environmental stewardship, we recognise the importance of preserving biodiversity across our operations. While many of our ports are situated in heavily industrialised areas, we remain vigilant about the potential impacts on nearby ecosystems, such as mangroves and seagrass beds. To address this, we conduct biodiversity assessments as needed, often as part of environmental management plans or as independent evaluations to identify potential risks. These assessments guide us in implementing appropriate management measures, ensuring that our operations do not inadvertently harm local biodiversity. For instance, Northport integrates biodiversity management into its Health, Safety, Security, and Environment Policy, reflecting our dedication to safeguarding the natural habitats around us. By taking these proactive steps, we committed to ensuring that our business activities coexist harmoniously with the environment.

7.25.2.6 Climate

PTPSB conducted climate-related scenario analyses in May 2024, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Coastal flooding represents the most significant climate risk for PTP at present and in the future. Modelling indicates that a 1-in-500-year flood event (low probability but high impact) could result in water depths exceeding three metres. Nonetheless, the current elevation between sea level and the berth platform is assessed to be sufficient to accommodate such an event. Projected temperature increases are expected to intensify risks over time. Under a low-emission scenario, extreme heat is anticipated to present a moderate risk by 2030 and 2050, escalating to a high risk by 2050 under a high-emission scenario. Other physical hazards are expected to have comparatively lower impact. Extreme rainfall flooding and extreme winds/storms are projected to pose minimal and low risks respectively across all scenarios and time horizons, while other identified hazards are assessed to have negligible influence on PTP's operations. The analysis, among others, considered the potential impacts of temperature changes and water level fluctuations.

The conclusion from these assessments is that, even under high-risk scenarios, it is unlikely that PTP's operations will be adversely affected, mainly on the basis that the current port infrastructure and elevation levels have been assessed to be adequate to withstand the aforesaid flood event scenario; that the overall level of other assessed climate risks is generally low to moderate across most scenarios and time horizons; and that appropriate measures are in place, primarily the ongoing monitoring and inspection of identified climate-related risks. These measures are supported by ongoing actions, including, but not limited to: enhancements to ventilation systems

7. BUSINESS OVERVIEW (Cont'd)

designed to facilitate the removal of heat; ongoing upgrades to port infrastructure to ensure it meets the standards required to accommodate effective water drainage; proper grading and sloping of land to divert water away from critical areas; the installation of submersible pumps; and improvements to the overall drainage network.

7.25.3 Social, health and safety

We prioritise the importance of nurturing relationships and fostering the development of our human capital, which includes both employees and other stakeholders. Our commitment extends to multiple dimensions of social contribution, covering areas such as privacy, community engagement, health and safety, and the pursuit of product and service excellence.

7.25.3.1 Human & labor rights

We believe that human rights are universal and that every employee should be treated with dignity and fairness, with their interests given equal consideration. We recognise international standards on human rights, such as the United Nations Guiding Principles on Business and Human Rights, the United Nations Declaration of Human Rights, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. In addition, we strictly adhere to the essential provisions outlined in local regulations, namely the Children and Young Persons (Employment) (Amendment) Act 2010 and the latest version of the Employment Act (Amendment) 2023. These standards and regulations guide our firm stance on opposing child labour, forced and involuntary labour, and trafficking of people under any circumstances in all the areas it operates. Within our Group, we believe that all employees are treated equally and receive fair compensation based on merit and productivity, with the same standards applied to the Group's supply chain. For the Financial Years Under Review, we reported no incidents of human rights violations across our Group's operations.

We do not tolerate any form of discrimination and attempt to create an equitable work environment. We believe that a diverse workforce enriches it by bringing innovative ideas from various perspectives that, ultimately, enhance the experience and knowledge of the entire workforce. Our Group's approach to fostering an inclusive workplace is strengthened by our Code of Ethics and Whistleblowing Policy.

7.25.3.2 Hiring, diversity and attrition

Our hiring process is conducted with fairness and transparency, focusing on the candidate's merit and suitability for the job. We are committed to selecting the best-fit candidate without bias or discrimination towards age, religion, gender, or disability. For senior management roles and above, however, we are mindful to give opportunities to local applicants where possible to boost local employment. Regarding age and race, Johor Port maintains an open recruitment policy with no limitations, ensuring equal opportunities for all talents.

We place a strong emphasis on fostering a positive work environment and engaging with local communities. Regular health and wellness programmes are conducted to ensure the well-being of employees, including health checks and awareness sessions. Team-building activities, such as sports tournaments and festive celebrations, are organised to enhance employee morale and collaboration.

Once hired, new employees go through an onboarding program aimed to bring the new joiners up to speed in getting connected and familiar with our organisation. It also provides the opportunity to build their first network with colleagues within our Group. In the case that an employee decides to leave, we strive to ensure their contributions are valued. As part of the resignation process, departing employees attend an exit interview. While the interview itself is kept confidential, their input is valuable to improving our workplace practices.

7. BUSINESS OVERVIEW (Cont'd)

We do not tolerate any form of discrimination and attempt to create an equitable work environment. We believe that a diverse workforce enriches it by bringing innovative ideas from various perspectives that, ultimately, enhance the experience and knowledge of the entire workforce. The Our approach towards fostering an inclusive workplace is strengthened by our Code of Ethics, Whistleblowing Policy and sexual harassment policy. There has historically been a natural skew towards male employees in our operations. However, we have attempted to balance this skew through an active awareness to hire more women as opportunities arise.

Recognising the physically demanding nature of certain roles within our operations, we are committed to fostering a more gender-inclusive workforce. We actively seek to balance gender representation by hiring individuals of all genders for various roles, including operations, executive and management-related positions. PTP has made progress towards gender equality in the workplace. Historically, the port's workforce was predominantly male, but over the past five years, PTP has increased employment of women across various roles, including engineering and marine piloting. Looking ahead, PTP aims to achieve a workforce comprising 30.0% women by FYE 31 December 2030. At Johor Port, as part of the gender diversity initiative, the human resource department has set a goal to increase the percentage of female employees by 2.0% to 3.0% through hiring efforts. Similarly, Penang Port has introduced apprenticeship and internship programs in partnership with educational institutions to attract women to careers in port operations, engineering, and logistics, and supports an inclusive workplace through appropriate facilities and awareness programs. These goals underscore our commitment to enhancing gender diversity and promoting workplace equality.

7.25.3.3 Occupational health and safety

We value the health and safety of our employees. We ensure that new employees are advised of our safety and health policy, and we provide them with in-house training. Each employee is briefed and granted access to our employee handbook, which describes our and the employee's responsibilities for employee health and safety.

Occupational health and safety is managed at the individual port level with broad guidance from our Group. While the board and senior management team of each port maintains full oversight of occupational health and safety matters, performance is a regular agenda during our Group's management and Board meetings. This allows for Group-level coordination and monitoring of occupational health and safety matters.

To ensure the quality of occupational health and safety performance, we ensure that all operational practices are in accordance with relevant regulatory requirements. The respective ports conduct routine audits and workplace inspections to ensure full adherence to our occupational health and safety policies.

7.25.2.3 Workforce training

We believe that consistent training and development programmes are necessary to ensure our Group's workforce remains up-to-date with the latest skills and knowledge required to operate in our industry. During FYE 31 December 2023 (which is the last year for which data is available as of the date of this Prospectus), we logged more than 450,000 employee training hours across our Group.

Occupational health and safety training is regularly conducted across our Group. This includes health and safety awareness sessions, safety and toolbox talks, and knowledge sharing from incidents that occur.

Our operating companies have established inclusive policies and dedicated young talent programmes. At PTP, the Young Engineer Programme and the Port Operations Planning Apprentice Programme (POPA) are being offered with the goal of equipping young talents with specialised skills. Additionally, PTP has various initiatives to integrate foreign workers into the workforce, such as cultural training and other

7. BUSINESS OVERVIEW (Cont'd)

engagement programmes. At Penang Port, the Young Executive Talent Programme is designed to cultivate future leaders by nurturing high-potential young professionals. Northport recently launched the Northport Apprentice Programme, which aims to develop apprentices with both soft skills and familiarity with the port's operations, while nurturing them towards later joining the port on a permanent basis.

7.25.4 Contribution to community development

As a responsible corporate entity, we endeavour to make a positive contribution to the economy through the services we provide. Our goal is to achieve economic sustainability and profitability while ensuring responsible environmental and social management.

We believe that corporate social responsibility initiatives primarily contribute to societal and environmental well-being, and also enhance our reputation, strengthen stakeholder relationships, and drive long-term business success. By integrating corporate social responsibility into our core operations, our Group demonstrates our dedication to building trust among our stakeholders and ultimately contributing to a more sustainable future. We contribute to the economic development of the communities around the areas where we operate, as well as to improve social and environmental well-being. This is done through the distribution of the economic values we creates to stimulate indirect economic value for our communities.

Community development initiatives are integral to our social strategy, with Johor Port, PTP and Northport actively participating in educational visits, relief aid distribution, and environmental awareness programmes. We believe that these initiatives not only support community welfare but also strengthen our relationship with stakeholders, enhancing its reputation as a socially responsible entity. We have generated more than RM8.0 million of direct economic value to our communities during the Financial Years Under Review (excluding FYE 31 December 2024 for which data is not available as of the date of this Prospectus).

Johor Port's involvement in educational programmes for local schools, PTP's support for community events, and Northport's engagement in humanitarian missions and environmental outreach demonstrate a commitment to fostering positive relationships and contributing to local development.

We recognise the importance of supporting local suppliers for economic growth and environmental sustainability. This refers to sourcing products and services from businesses which are local to where our operations are located. Aside from benefitting these communities directly, local procurement has an added economic and environmental advantage. Local products often require less transportation time, which generally results in a lower cost and lower wait times for us while at the same time reducing the amount of emissions or potential for pollution resulting from our operations. During the Financial Years Under Review (excluding FYE 31 December 2024 for which data is not available as of the date of this Prospectus), we have spent more than RM3.5 million on procurement from our communities, with more than 85.0% of PTP's suppliers based locally and more than 90.0% of suppliers for our other seaports based locally.

8. INDUSTRY OVERVIEW



Date: 12 JUN 2025

Board of Directors
MMC Port Holdings Berhad
 Ground Floor
 Wisma Budiman
 Persiaran Raja Chulan
 50200 Kuala Lumpur

Dear Sirs / Madams,

INDEPENDENT MARKET RESEARCH ON THE PORTS INDUSTRY FOR MMC PORT HOLDINGS BERHAD ("MMC PORTS")

We, Drewry Maritime Services (Asia) Pte Ltd ("**Drewry**"), have prepared this Independent Market Research Report ("**IMR Report**") for the purpose of inclusion in the prospectus of MMC Ports in connection with the listing of and quotation for the entire issued ordinary shares in MMC Ports on the Main Market of Bursa Malaysia Securities Berhad ("**Prospectus**").

We are aware that this IMR Report will be included in the Prospectus and we further confirm that we are aware of our responsibilities under Section 215 of the Capital Markets and Services Act, 2007.

We acknowledge that if we are aware of any significant changes affecting the content of this IMR Report between the date hereof and the issue date of the Prospectus, we have an on-going obligation to either cause this IMR Report to be updated for the changes and, where applicable, cause MMC Ports to issue a supplementary prospectus, or withdraw our consent to the inclusion of this IMR Report in the Prospectus.

The market research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research, which involves discussing the status of the industry with leading industry participants and industry experts. The research methodology used has been developed by Drewry and it is refined time to time as per changes in market dynamics. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in the business and industry climate.

Drewry has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the IMR Report. We believe that this IMR Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Drewry shall not be held responsible for the decisions and/or actions of the readers of this IMR Report. This IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this IMR Report or otherwise.

Profile of Drewry Maritime Services (Asia) Pte Ltd

Drewry, a maritime consultancy firm, is among the most widely used and respected sources of impartial market insight and analysis, having grown and evolved from its inception in 1970. With offices in London, Singapore, Delhi and Shanghai, Drewry provides its services through four business units: Maritime Research, Maritime Advisors, Supply Chain Advisors and Maritime Financial Research. These divisions, together,



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www.drewry.co.uk

8. INDUSTRY OVERVIEW (Cont'd)

support the operational and strategic needs of an elite and diverse client base of ports and shipping industry stakeholders.

Profile of the IMR signee, Jayendu Krishna

Jayendu, Director–Head of Drewry Maritime Advisors, is based in Drewry's Singapore office. He has more than 20 years of research and advisory experience in shipping and ports with assignments ranging from commercial to strategic aspects of international trade and shipping, ports, freight procurement, due diligence and financial modelling, among others. Prior to joining Drewry, he was engaged in teaching and conducting macroeconomic research.

Yours faithfully,

For and on behalf of

Drewry Maritime Services (Asia) Pte Ltd

A handwritten signature in cursive script that reads "Jayendu Krishna".

Jayendu Krishna

Director – Head Maritime Advisors



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8. INDUSTRY OVERVIEW (Cont'd)

1 Global macroeconomic trends, ports and shipping industry overview

1.1 History and background of containerised and non-containerised cargo

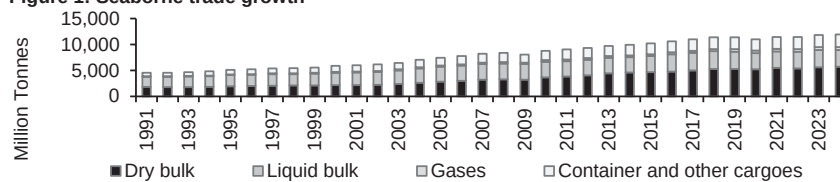
The maritime industry is fundamental to international trade as it is the only feasible and cost-effective option for transporting large volumes of commodities over long distances. Among the various cargo options, containerised cargo has been gaining popularity since it started in the 1950s and ports act as an important node in the supply chain logistics. While containerised cargo comprises finished goods, semi-finished goods and raw materials, among others, non-containerised cargo includes liquid bulk, dry bulk, breakbulk, and roll-on roll-off (Ro-Ro).

1.2 Container market development

1.2.1 Growth in global trade and containers

During the early 1990s, the share of container shipping accounted for approximately 14.0% of the total seaborne trade, but it increased rapidly to 20.0% in 2000 and has since been relatively stable.

Figure 1: Seaborne trade growth

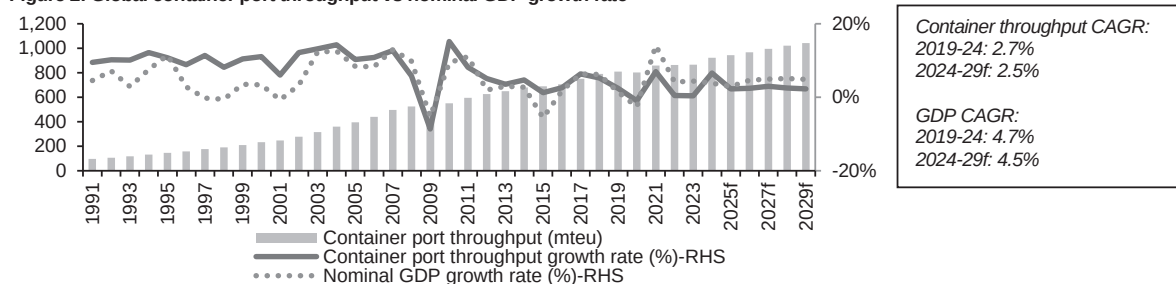


Market Share	2014	2024
Dry bulk	46%	48%
Liquid bulk	30%	27%
Gas	3%	5%
Container & other	20%	20%

Source: Drewry

Container shipping and ports are directly affected by global macroeconomic trends. The chart below reflects a high correlation between the nominal gross domestic product (GDP) and the growth rate of global container port throughput.

Figure 2: Global container port throughput vs nominal GDP growth rate



Source: Drewry, IMF

Shipping cargo in containers is beneficial as it results in less cargo handling, efficient port turnaround and reduced shipping time. Container shipping operates in a highly developed intermodal network, with specialised ports and cargo equipment built over the years to handle containers. Over the years, world container traffic has increased consistently at a compound annual growth rate (CAGR) of 2.7% between 2019 and 2024. It is forecasted to increase at a CAGR of 2.5% between 2024 and 2029.

1.2.2 Main shipping trade lanes

Among the major shipping trade lanes, intra-Asia is one of the highest growth markets in terms of container shipping volumes, mainly due to the increase in the middle-class population and relocation of manufacturing centres to the region. We expect the intra-Asia trade to continue growing as shifts in production centres accelerate. As a region, intra-Asia¹ comprises the largest markets, accounting for 15.0% market share (in TEU terms) of the global container shipping volume in 2023. The Transpacific² and Asia-Europe³ (two major East-West trade lanes), accounted for 12.0% and 9.6% market share, respectively. The assets of MMC Ports, the largest port operating group in Malaysia, are well-positioned amidst the major trade lanes such as intra-Asia, as well as Asia-Europe.

1.3 Types of container traffic

1.3.1 Gateway and transshipment containers

Container cargoes can be split into gateway traffic, which includes containers originating from and destined to the ports' hinterland, and transshipment cargo, wherein the port/terminal acts as a transit point between the origin and destination ports located either in the same or a different country. At the transit port, the cargo is transshipped from one vessel to another, which then takes it to the destination port. Some ports in South East Asia (SEA), such as MMC Ports-owned Port of Tanjung Pelepas (PTP), Port of Singapore and Port Klang (Westports and Northport) act as transshipment hubs while also handling some gateway volumes.

¹ Intra-Asia covers Greater China, North Asia, South Asia and South East Asia.

² Transpacific includes Asia-ECNA (East Coast North America) and Asia-WCNA (West Coast North America).

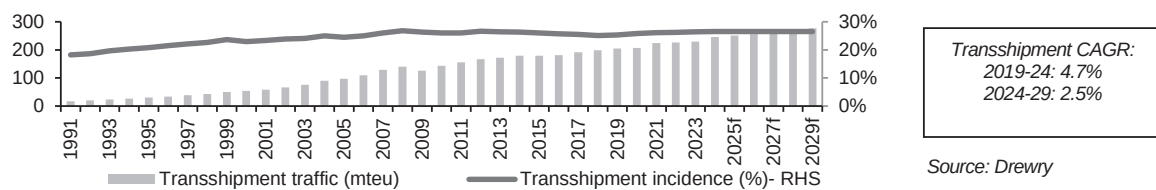
³ Asia-Europe includes Asia-North Europe and Asia Mediterranean.

8. INDUSTRY OVERVIEW (Cont'd)

1.3.2 Development of transshipment business

Shipping lines have the choice of calling ports directly or serving some smaller ports via 'hub ports', where cargo is transshipped to/from the deep-sea ports. Direct calls at a port are favoured due to high cargo volumes, proximity to the main route of the service and port/terminal facilities which can accommodate the optimum vessel size and handle them efficiently. Transshipment was initially used as a means of serving small ports where mainline vessels were unable to call. However, in order to increase the service options and reduce the overall network costs, shipping lines started using this mode of transportation at a broader scale since the 1990s, which created the demand for transshipment hubs. The transshipment incidence (transshipment as a percentage of container port throughput) has remained at around 26% since 2008, but it continues to grow in line with the total port throughput (transshipment has increased from 15.1 million TEUs in 1990 to 245.0 million TEUs in 2024). Between 2010 and 2024 SEA transshipment has increased from 35.6 million TEUs to 56.6 million TEUs, at a CAGR of 3.4% and is expected to maintain its growth given the critical role the region continues to play.

Figure 3: Global container transshipment volume and incidence



1.4 Trends in container shipping and ports

1.4.1 Vertical and horizontal integration

The liner industry has seen several rounds of horizontal consolidation over the past few years, but with a slowdown in horizontal acquisitions in recent years due to fewer horizontal mergers and acquisitions (M&A) opportunities, carriers have turned to vertical integration for higher earnings. As a result, they have been acquiring port and terminal assets to diversify revenue streams and shield themselves from the volatility in container shipping cash flows. This has particularly been the case for transshipment terminals where ownership secures favourable, well-timed slots, enabling more efficient use of vessels and faster connections. Therefore, nearly all large carriers maintain terminal portfolios of varying sizes and complexities, with the aim of increasing their terminal calls. A terminal without liner affiliation will need significant gateway volumes near the port to remain profitable.

Carriers like Maersk, MSC and CMA CGM as well as port operators like DP World and PSA are also expanding end-to-end logistics capabilities. Meanwhile, several liners are becoming global integrators of container logistics, connecting and simplifying customer supply chains.

1.4.2 Global alliances

In the container shipping industry, alliances are agreements between major shipping companies for vessel sharing, slot exchanges and other forms of cooperation. Over the years, the alliances landscape has undergone several changes—Maersk and MSC ended the 2M Alliance, effective February 2025, due to strategic differences, followed by Hapag-Lloyd and Maersk commencing their Gemini alliance. Currently, Ocean Alliance (CMA CGM, Evergreen and Cosco) and Premier Alliance (ONE, Yang Ming and HMM) are other major alliances, while MSC, the largest shipping line, has a slot exchange agreement with Premier Alliance on the Asia-Europe trade route. Four major alliances of container shipping companies together operate 82% of containers globally. The Ocean Alliance leads the capacity share with 28% in terms of operating fleet, followed by Gemini cooperation with 22% share. These alliances have stakes as well as long-term arrangements with ports, which bring stability and predictability to port operators.

1.5 Key success factors and industry barriers

A key success factor for the port is its location, with proximity to consumption and production centres as well as warehouses being critical to its growth. Other advantages include cost efficiencies derived from deep, sheltered waters, which facilitate efficient and reliable operations. Ports should have good connections to the hinterland via inland transportation networks, such as rail and road links, to enhance overall port performance and reduce congestion. They must be located at a minimal deviation from the main shipping routes and must be well-connected with various trade routes and appropriate feeder services. All of MMC Ports assets are located along the Strait of Malacca, a key global shipping route and the main trade lane from Asia to Europe.

Since carriers prefer to use terminals where they have equity ownership, the terminal's affiliation to an alliance partner is important to ensure stickiness of transshipment volume, or else significant gateway volumes may be required to sustain its growth. While long-term customer relationships and networks with global liners are key success factors, they are also major barriers for new market entrants.

For higher volumes, terminal operators must operate efficiently with minimum waiting time and no congestion, immediate access to berths and cranes and high productivity, apart from providing deep-water cranes to service the largest vessels. The ability of PTP to handle the largest container vessels with high efficiency levels works to its advantage as a transshipment hub, in addition to its partnership with APM Terminals (APMT), affiliate of Maersk, the second largest container shipping line globally.

8. INDUSTRY OVERVIEW (Cont'd)

An investment in port requires high capital expenditure in constructing the structure, superstructure, channel dredging, breakwater, etc. This is another major barrier for a new entrant. In Malaysia, a port operator must secure a concession agreement from the government, a highly competitive and rare process. The agreement grants the holder exclusive rights to manage, operate and develop specific port facilities for an extended period, typically spanning more than 20 years, and sometimes extending up to 30 or even 60 years. This extended period significantly reduces the frequency of new entrants, unless they adopt the M&A route.

1.6 SEA: Regional overview

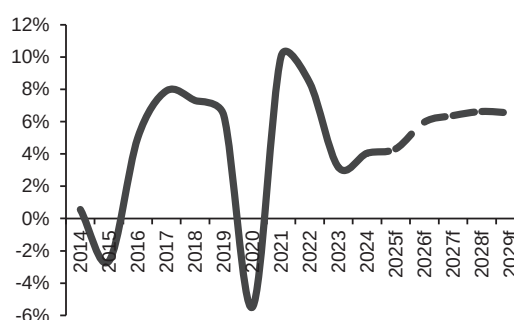
SEA, a pivotal region in global trade, is a vital link between the East and West. The region's economic expansion has been driven by rapid urbanisation and a growing middle class, which has supported the demand for goods and services. This economic momentum has reinforced SEA's role as a key player in intra-Asia trade, underscoring its potential for sustained economic growth. The nominal GDP of SEA grew at a CAGR of 4.3% over the past 10 years and is expected to surpass \$5.0 trillion by 2029, with nominal GDP increasing at a CAGR of 6.0% during the same period.

Table 1: SEA GDP, current prices (US\$ billion)

	2014	2024	2029f	CAGR (2024- 2029)
Brunei Darussalam	17	15	20	4.9%
Lao PDR	13	16	19	3.2%
Cambodia	22	47	66	6.9%
Myanmar	53	61	86	7.0%
Malaysia	343	420	565	6.1%
Vietnam	233	459	627	6.4%
Philippines	297	462	695	8.5%
Thailand	407	526	616	3.2%
Singapore	315	547	668	4.1%
Indonesia	891	1,396	1,917	6.5%
SEA Total	2,592	3,951	5,278	6.0%

Source: IMF

Figure 4: SEA countries' GDP growth % (at current prices)



1.7 External trade of SEA

SEA's maritime industry thrives on its expansive coastline and strategic waterways with the Strait of Malacca, which connects the Indian Ocean to the South China Sea and handles over 23.7% of the global maritime trade in 2023 (United Nations Conference on Trade and Development (UNCTAD)). Based on Drewry's AIS data for vessels exceeding 1,000 dwt, the Strait of Malacca stands out as the busiest shipping route in the world, serving as the primary maritime corridor linking Asia, including China, to Europe. Leveraging this strategic position, MMC Ports benefits significantly from the high transshipment volumes that pass through the strait. Its key assets—such as the PTP, Northport and Penang Port—act as crucial hubs for both regional and global trade flows. All assets of MMC Ports have strong regional trade exposure—especially intra-Asia—which acts as a succour against external disruptions such as US tariff shocks. This diversification across trade lanes supports greater resilience in volatile geopolitical environments.

In recent years, outsourcing to China has plateaued because of geopolitical reasons and a rise in the country's wages and production costs over the past decade. In addition, geopolitical shifts have tilted the scales in SEA's favour with the "China+1" strategy of major companies, reshaping global trade dynamics. From 2015 to 2024, US imports from China declined at a 1.1% CAGR. However, when compared specifically to the 2018 peak, US imports from China have fallen by a significant 18% in absolute terms. In sharp contrast, Vietnam's exports to the US surged at a remarkable 15.3% CAGR over the same period (2015-24). Malaysia and Indonesia have also posted steady gains, at 5.0% and 4.1% CAGR between 2015 and 2024, respectively. This striking divergence reflects how the companies are actively shifting supply chains away from China, positioning SEA as the preferred alternative.

The export landscape tells a similar story. While US exports to China crawled at a 2.4% CAGR from 2015 to 2024, shipments to Malaysia surged nearly four times at a 9.5% CAGR during the same period. Notably, US exports to Malaysia more than doubled (+114%) since 2018, far outpacing growth to China (+19%) or even India (+26%). Vietnam and Indonesia also benefited, with outbound trade from US growing at a 7.0% CAGR and 4.1% CAGR (2015-24), respectively. With US exports to SEA growing 3-4 times faster than to China, it is evident that the "China+1" strategy is not just a policy shift—it is a transformative force reshaping SEA's economic landscape. This trend is likely to accentuate further as the recent trade war between the US and China rages on.

On 2 April 2025, the US announced reciprocal tariffs on all countries, but their implementation has been put on hold for 90 days. The initial tariff has been replaced with the baseline tariff of 10% on most countries except China, which has been slapped with a 30% tariff. The US imports from Malaysia were earmarked for a 24% tariff, relatively lower compared to the other Southeast Asian nations. This is likely to lead to further shifts in major production centres depending on how tariff renegotiation talks proceed and trade agreements are reached among other countries. According to the Liner Shipping Connectivity Index of UNCTAD, China, South Korea, Singapore, the US, and Malaysia lead the way as the most connected economies globally. The proximity to major Asian markets enhances supply chain efficiency, supporting the growth of new industries in the region.

Intra-Asian trade has shown resilience amid global demand softening, with United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) noting that nearly 60% of the region's exports in 2024 are within Asia. This strong internal trade network drives regional growth and provides a succour against external trade disruptions. It

8. INDUSTRY OVERVIEW (Cont'd)

helps counterbalance predictions of declining global trade volumes. Additionally, regional trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are expected to boost intra-regional and intra-Asian trade to new heights, providing further opportunities for port operators to enhance their operations and connectivity. Although the US is not a participant in either agreement, the increasing relevance of these agreements could accelerate SEA's integration into global value chains.

This positive momentum is mirrored in Malaysia's expanding port infrastructure. The country's ports (especially under the MMC Ports' portfolio) are uniquely positioned to capitalise on both intra-Asian growth and East-West trade flows. Strategically situated along the Strait of Malacca, the ports serve as key transshipment and gateway nodes. This dual role is being reinforced by rising investment interest—Malaysia approved RM378.5 billion investment in 2024 (up 14.9% year over year), with RM170.4 billion in foreign direct investment led by the US, Germany and China. Notably, more than 80% of the Malaysia's approved investments flowed to the five states (Selangor, Wilayah Persekutuan Kuala Lumpur, Johor, Kedah and Pulau Penang) where most of the MMC Ports are located, affirming the growing relevance of MMC Ports in global value chains under the "China+1" strategy.

1.8 Container throughput of SEA

From 2014 to 2024, SEA's container throughput grew at a CAGR of 3.2%, from 95 million TEUs to 130 million TEUs, whereas global throughput increased from 679 million TEUs to 923 million TEUs, at a slightly lower CAGR of 3.1%. We project an increase in SEA's throughput to 148 million TEUs in 2029, at a CAGR of 2.6%, slightly higher than the global CAGR of 2.5% (to 1,043 million TEUs in 2029). SEA's share is expected to remain stable at 14%, reflecting steady growth in line with global demand. An essential enabler of this regional throughput is the Strait of Malacca, as it not only anchors regional port activity but also cements its role as a central hub in global supply chains. While key markets like Singapore, Malaysia and Vietnam continue to drive regional growth, ongoing infrastructure investments and trade developments will play a crucial role in shaping the region's long-term growth trajectory.

1.9 SEA major ports and container volume

SEA is home to some of the world's busiest and most strategically located ports, serving as critical nodes in global trade and facilitating the movement of goods among Asia, Europe and the Americas. The key ports in the region include:

- **Port of Singapore (Singapore):** The Port of Singapore remains among the busiest container ports globally with its strategic location and efficient operations rendering it a pivotal transshipment hub in SEA. Its capacity is planned to increase from 45.8 million TEUs at present to 65 million TEUs by the 2040s.
- **Port of Tanjung Pelepas (Malaysia):** PTP, where APMT holds a 30% share with the remaining stake owned by MMC Ports, is a rapidly growing and the leading transshipment hub in Malaysia and serves as a key alternative to Singapore. PTP was ranked 15th globally based on 2024 container throughput and registered the highest volume growth (CAGR) among major SEA ports (see Table 2). The purchase of new port equipment is expected to further increase the port's productivity with expansion plans of PTP and Pelepas Free Zone likely to increase PTP's container volumes. Its capacity is expected to increase from 14.0 million TEUs in 2025 to 16.0 million TEUs in 2029. It handled 12.3 million TEUs in 2024 (record high since inception).
- **Port Klang—Westports (Malaysia):** Westports is a crucial container terminal in Malaysia with its strategic location supporting the country's connectivity. It has started work to double the capacity from 14 million TEUs to 28 million TEUs in 15 years, but this will be done in phases subject to container volume development.
- **Port Klang—Northport (Malaysia):** Northport, located within Port Klang and a major competitor to Westports, handles a significant share of Malaysia's gateway container volumes. Its development was supported by the National Load Centre Policy (NLCP). The port plays a catalytic role in supporting the economic growth of the country's central region, including Kuala Lumpur and the Klang Valley, which form the core of Malaysia's economic activities. Port Klang was ranked 10th globally based on 2024 container throughput wherein about half of its volumes come from transshipment. According to Drewry port connectivity index, Port Klang is the 8th most connected port in the world, whereas Northport is among the fastest growing port in the region (see Table 2), as demonstrated over the 5-year and 10-year periods. It handled 3.7 million TEUs in 2024 (record high since inception).
- **Port of Tanjung Priok (Indonesia):** As Indonesia's largest and busiest port, Port of Tanjung Priok serves the primary gateway for trade in the Greater Jakarta area.
- **Port of Tanjung Perak (Indonesia):** Port of Tanjung Perak is Indonesia's second-largest port and supports trade for the eastern parts of the country.
- **Penang Port (Malaysia):** The Penang Port, serves as the main maritime gateway for the northern region of Peninsular Malaysia. Owing to its geographic proximity and efficient logistics connections, it also handles cross-border cargo flows from Southern Thailand, particularly from provinces such as Songkhla, making it a key hub for regional trade integration.
- **Port of Belawan (Indonesia):** Serving as the main port for Sumatra, it is crucial for Indonesia's trade with Malaysia and other regional partners.
- **Johor Port (Malaysia):** The Johor Port, a gateway for the southern region of Peninsular Malaysia, is located near Singapore and is home to the world's largest palm oil terminal, reinforcing its strategic importance in global edible oil trade. It handled 1.1 million TEUs in 2024 (record high since inception).

8. INDUSTRY OVERVIEW (Cont'd)

There are also other planned port developments in SEA. In Malaysia, Port Dickson has recently signed a memorandum of understanding with COSCO SHIPPING Ports Limited, which could potentially help attract transshipment volumes. On the other hand, a port has been proposed on Carey Island near Port Klang. Vietnam's Can Gio Port, in collaboration with MSC, may emerge as a transshipment hub with planned capacity of 5.0 million TEUs in 2030 and 15.0 million TEUs by 2045. The actual implementation timelines for these ports are not very clear at this stage. If these ports finally develop, they may not have a significant effect on PTP volumes due to its long-term commitment with Maersk and Gemini.

Table 2: Container total throughput of major ports in SEA (million TEUs)

Country	Port	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR (2014-24)	CAGR (2019-24)
Singapore	Port of Singapore	33.9	31.0	30.9	33.7	36.6	37.2	36.9	37.5	37.3	39.0	41.1	2.0%	2.0%
Malaysia	PTP	8.2	8.8	8.0	8.3	9.0	9.1	9.8	11.2	10.5	10.5	12.3	4.1%	6.2%
Malaysia	Westports	8.4	9.1	9.9	9.0	9.5	10.9	10.5	10.4	10.0	10.9	11.0	2.8%	0.2%
Thailand	Laem Chabang	6.6	6.8	7.2	7.8	8.1	8.0	7.5	8.5	8.7	8.9	9.6	3.8%	3.7%
Indonesia	Tanjung Priok	6.2	5.2	5.5	6.1	6.7	6.8	6.5	6.9	7.3	7.5	7.8	2.4%	2.8%
Indonesia	Surabaya	3.1	3.1	3.3	3.6	4.2	3.8	3.6	3.9	3.9	4.0	4.3	3.2%	2.4%
Malaysia	Northport	2.6	2.8	3.2	3.0	2.8	2.7	2.7	3.3	3.2	3.2	3.7	3.6%	6.1%
Malaysia	Penang Port	1.3	1.3	1.4	1.5	1.5	1.5	1.4	1.3	1.3	1.4	1.4	1.1%	-1.0%
Indonesia	Belawan	0.9	0.9	1.0	1.0	1.1	1.0	1.1	1.1	1.0	1.0	1.2	2.8%	3.9%
Malaysia	Johor Port	0.8	0.8	0.8	0.9	0.9	1.0	1.0	0.9	0.9	0.9	1.1	2.9%	0.3%

Source: Drewry

Table 3: SEA - Top 10 terminal owning/operating companies

Rank	Owner/Operator	Company Type	2023 Total Throughput (^{'000} TEUs)	2023 Equity Throughput (^{'000} TEUs)	Equity TEUs as % of Regional Throughput	Location of main terminal operations
1	PSA International	Privately owned (Government-linked)	41,910	28,487	23.3%	Cai Mep, Laem Chabang, Singapore, Tanjung Priok
2	PT Pelindo Terminal Petikemas (SPTP)	Privately owned (Government-linked)	17,657	14,956	12.2%	Ambon, Balikpapan, Banjarmasin, Belawan, Bengkulu, Bitung, Jambi, Kuala Tanjung, Kupang, Makassar, Muara Sabak, Palembang, Pangkal Balam, Panjang, Pontianak, Samarinda, Semarang, Sibolga, Surabaya, Tanjung Priok, Teluk Bayur
3	MMC Ports ^{###}	Privately-owned	16,055	12,794	10.5%	Johor, Penang, Port Klang (Northport), Tanjung Bruas, Tanjung Pelepas
4	Westports (excluding HP)	Public listed	10,876	8,310 [#]	6.8%	Port Klang (Westports)
5	Saigon New Port Company	Privately owned (Government-linked)	10,583	7,844	6.4%	Cat Lai, Ho Chi Minh City, Lach Huyen/Haiphong, Thi Vai-Cai Mep
6	Hutchison Ports	Privately-owned	17,969	7,285	6.0%	Cai Mep, Laem Chabang, Westports (Port Klang), Tanjung Priok, Thilawa
7	APM Terminals	Privately-owned	13,325	4,284	3.5%	Cai Mep, Laem Chabang, Tanjung Pelepas
8	ICTSI	Public listed	4,874	4,121	3.4%	Cagayan de Oro, General Santos, Makassar*, Manila, Subic Bay, Tanjung Priok**
9	MSC Group (incl. TIL & AGL)	Privately-owned	7,594	3,721	3.0%	Singapore
10	CMA CGM	Privately-owned	8,205	3,162	2.6%	Cai Mep, Ho Chi Minh, Laem Chabang, Singapore
Top 10 Total				94,963	77.7%	
Regional Total			122,295			

[#] It includes various shareholders of Westports except Hutchison Ports.

* ICTSI exited Makassar in January 2023

** ICTSI divested its stake in Oja Terminal in January 2024

^{###} RSGT not included

Source: Drewry

Based on the equity-adjusted throughput⁴, MMC Ports is ranked 13th among the leading terminal operators⁵ of the world. However, it ranked 5th among the leading private terminal operators of the world. Similarly, based on the equity-adjusted throughput, MMC Ports is ranked 3rd in SEA. However, within SEA, it holds the 1st position among privately-owned operators which are not government-linked.

⁴ Equity-adjusted throughput reflects the total container volume handled at terminals, adjusted according to an operator's equity stake in each facility, providing a more accurate measure of the volume attributable to the operator's ownership. It is calculated by multiplying the total throughput of each terminal by the percentage of the operator's equity stake.

⁵ Terminal operators manage specific terminals within ports. Port operators oversee an entire port complex.

8. INDUSTRY OVERVIEW (Cont'd)

2 Malaysia's economic and trade overview

2.1 Economy of Malaysia

From 2014 to 2024, Malaysia's GDP (at current prices) expanded at a CAGR of 2.0%, rising from US\$343 billion in 2014 to US\$420 billion in 2024. During post-pandemic years, the economy demonstrated remarkable resilience, with growth surging to 10.8% in 2021 and 9.0% in 2022, marking its strongest consecutive performance since 2014. According to the IMF, the country's GDP is projected to expand at a CAGR of 6.1% to US\$565 billion in 2029. This is driven by rising domestic consumption, the government's strong focus on advancements in high-tech industries and increased foreign investment.

Figure 5: Ports and industrial zones of Peninsular Malaysia



While Malaysia is rich in natural resources, its economy is broadly diversified as per World Bank standards, with the primary sector comprising products like rubber, palm oil, petroleum, tin and timber. It is important to note that the regions where MMC Ports operates contribute nearly 49.1% to Malaysia's 2023 GDP (at constant prices), underscoring the strategic alignment of its port infrastructure. Selangor, the most economically significant state, accounts for 25.9% of the country's GDP and hosts Northport, while Johor, home to PTP and Johor Port, contributes another 9.5%. Penang, where Penang Port and Swettenham Pier Cruise Terminal are located, adds 7.4%, whereas Kedah and Melaka, together, contribute 6.3%, housing ports like Tanjung Bruas Port, Andaman (Yan STS Port) and Langkawi. Overall, terminals of MMC Ports are strategically positioned at the heart of Malaysia's trade and economic

activity.

Source: Drewry, MMC Ports, various websites

2.2 Hinterland of Peninsular Malaysia

Malaysia's industrial sector has been the major driver of the country's economy with 27 free trade zones and over 600 industrial parks. Notably, the northern part of Malaysia is known for agriculture while the southern state of Johor is the key regions for palm oil.

Northport has direct access to more than 13 industrial parks via road and rail networks. The rail network connects major seaports, such as Port Klang and Penang Port and other seaports owned and operated by MMC Ports, facilitating inter-terminal cargo transfer. In August 2024, Northport, Kuantan Port Consortium and Malaysia Rail Link signed a memorandum of understanding to ensure the realisation of the East Coast Rail Link (ECRL), a land bridge connecting Kuantan Port to Port Klang. The ECRL, likely to commence operations in 2027, facilitates the transfer of goods between the two ports and other parts of Malaysia, increasing Northport's competitiveness. In addition, there is also a plan for direct Kuala Lumpur-Bangkok rail link, which could potentially increase some volumes of Northport.

Penang Port has seen several industrial land developments, and primarily serves the northern region of Malaysia and southern Thailand. Tanjung Bruas Port is a main gateway port for Melaka, with more than 500 companies operating within Melaka.

PTP is at the confluence of the main East-West trade lanes, along with direct rail access to Johor Port. Johor port provides services to over 28 industrial estates in Johor and is the main catalyst for Pasir Gudang Industrial Area and Tanjung Langsat Industrial Complex. The upcoming Johor-Singapore Special Economic Zone (SEZ) leverages the complementary strengths of Malaysia and Singapore and will provide additional industrial activities and transport volumes. Malaysia has proposed an initial RM5.0 billion infrastructure development fund for this. It is also worth noting that 90% of the RM16.2 billion new investments in 1Q25 were in Johor's economic zone with PTP as well as Johor Port likely benefiting from this SEZ. In addition, Johor has RM13.6 billion worth of projects in the pipeline for April 2025. More industrial development will lead to higher potential for containerised and non-containerised cargo at MMC Ports.

3 Overview of containerised cargo of Malaysia

3.1 Malaysia's container traffic volumes

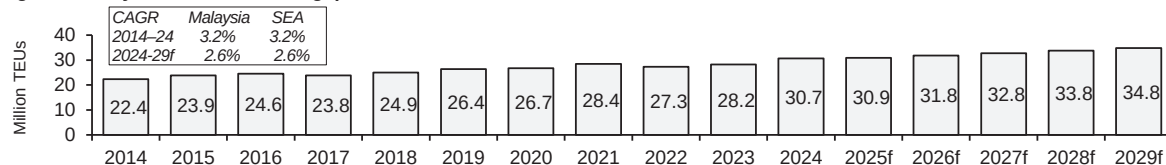
SEA's container throughput trends paint a picture of regional volatility and Malaysia's remarkable resilience. While the broader SEA market grappled with challenges (such as the 0.6% dip in 2015 and the 0.7% contraction during the pandemic in 2020), Malaysia stood out by delivering uninterrupted growth. In those years, Malaysia's container throughput increased 6.8% (2015) and 1.0% (2020), respectively, showcasing its ability to weather global disruptions better than its peers. The Malaysian economy grew at a CAGR of 3.6% between 2020 and 2024, which was a highly volatile period marked first by the pandemic and then by intense geopolitical tensions. The country outperformed SEA's average growth of 3.2%, reinforcing its competitive strength.

8. INDUSTRY OVERVIEW (Cont'd)

Malaysia occupies a middle ground among its regional peers with a CAGR of 3.2% between 2014 and 2024. Singapore, long considered a shipping powerhouse, recorded a modest CAGR of 2.0% (2014-24), indicating market saturation while Vietnam surged ahead with an impressive 6.6% CAGR, fuelled by rapid industrial growth and increasing integration into global supply chains. Malaysia's growth signals a balance between stability and gradual expansion.

The forecast for Malaysia's container throughput (2025–29) was derived using a regression analysis of the country's GDP and historical volumes. Over this period, Malaysia's GDP is expected to grow at a real CAGR of approximately 4.0% to RM2.0 trillion, with container throughput surging at a CAGR of about 2.6% to 35 million TEUs in 2029.

Figure 6: Malaysia's container throughput



Source: Drewry

In 2024, Malaysia's ports showcased a well-balanced operational profile, with transshipment making up 64.3% of the total container throughput and gateway traffic accounting for 35.7%. This distribution underscores the country's dual role as a key regional transshipment hub—driven by its strategic location along major East-West trade lanes—and a vital gateway interface supported by strong domestic consumption and robust intra-Asian trade.

3.2 Gemini and its impact on PTP

Gemini operates on a hub-and-spoke transshipment model, comprising 340 vessels, aggregating around 3.7 million TEUs, and covers 57 services including mainliner and dedicated shuttle services. Gemini's network design is based on calling directly at fewer main ports on the deep-sea services, and using a number of 'shuttle' services it operates via designated hub ports. The alliance is splitting its SEA hub port calls between PTP and Singapore. While westbound hub port calls in the Asia-North Europe and Asia-Med trades are at PTP, eastbound calls are at Singapore, with the hub-and-spoke feeder services at PTP continuing to serve Maersk and Hapag-Lloyd. Consequently, it is understood that Maersk will also shift its existing transshipment volumes from Singapore on the PTP calling loops.

With the new alliance arrangements, deep-sea weekly loop calls at PTP increased from 21 in 3Q24 to 25 in 1Q25. A number of Gemini shuttle services have been connecting PTP and Singapore to main ports in SEA and Northeast Asia, which were previously served by direct calls. As a result of its new role as the Gemini westbound hub port, PTP has gained significant transshipment volumes from both Maersk and Hapag-Lloyd, which would have previously moved direct from the loading port to the destination port in Europe.

PTP has more calls than any other Gemini hub port, with seven deep-sea services routed via PTP in Europe, one to North America and one to Middle East trades. It indicates the critical role PTP plays within the Gemini network. Consequently, a higher proportion of containers on the Gemini deep-sea loops are expected to be exchanged at PTP than was previously envisaged, which will result in more efficient operations at PTP, with larger volumes being discharged/loaded on individual vessels. Gemini aims to achieve 90% schedule reliability target once it is fully operational. If this is sustained, it will also aid productivity at PTP, and potentially increase the volumes which can be handled at the terminal. Since Gemini vessels calling PTP are mainly for cargoes between Asia and Europe, they are expected to be relatively shielded from the impact of the US tariff. An initial positive impact of Gemini can be seen through the 16.7% year over year increase in PTP's throughput, from 2.9 million TEUs in February-April 2024 to 3.3 million TEUs in February-April 2025 (the first three months since Gemini started operating as an alliance).

3.3 Operational benchmarking of MMC Ports

MMC Ports is the largest container port operator in Malaysia, while also being the country's leading container hub for transshipment and gateway volumes. Among its ports, PTP was ranked 5th globally and 1st in SEA, in the World Bank's Container Port Performance Index (CPPI) 2023, which ranks global container ports based on operational efficiency using vessel turnaround times as the key metric. During April 2025, the weekly throughput of PTP increased 3% (from 173,902 moves in week 12 to 178,679 moves in week 15).

PTP recorded one of the highest operational performance, which is much higher than the global benchmark and ranked 1st amongst the regional peers. Northport's berth productivity was also higher than the global benchmark.

Table 4: Key operational benchmarking (2023)

	TEUs per Crane (crane productivity)	TEUs per Metre of Quay (berth productivity)	TEUs per Hectare	Utilisation (%)
PTP	232,770	2,431	44,960	78
Westports	162,333	1,873	58,162	78
Penang Port	160,389	962	17,273	63
Singapore Port	158,406	2,152	54,002	64
Tanjung Priok	134,889	1,222	43,595	64
Northport	106,152	1,132	26,039	57
Global benchmark (Drewry)	146,108	1,123	29,606	

Note: Drewry's annual benchmarking survey is based on about 470 terminals which handled 79% of the global port throughput in 2023.

Source: MMC Ports, Westports, Drewry

8. INDUSTRY OVERVIEW (Cont'd)

3.4 Comparison of port tariffs against key competitors

Ship-to-shore handling is the most expensive part of container handling and terminals rely on it as their primary revenue source. While discounts are typically granted on the listed tariff to large clients, the amount of such discounts is extremely confidential and not available to the public at large. Therefore, MMC Ports' costs are compared to those of other ports using the reported tariffs.

Table 5: Tariff comparison between MMC Ports and neighbouring ports

Port	Size	Gateway laden (\$/box)	Gateway empty (\$/box)	Transshipment laden (\$/box)	Transshipment empty (\$/box)
Penang Port	20"	60.60	51.62	39.28	39.28
	40"	90.90	77.44	59.03	59.03
Johor Port	20"	63.75	46.24	28.73	28.73
	40"	91.58	71.15	41.97	41.97
Northport	20"	67.34	56.11	40.85	40.40
	40"	101.00	84.17	61.28	60.60
PTP	20"	67.34	52.52	44.89	44.89
	40"	101.00	78.78	67.34	67.34
Westports	20"	67.34	56.11	40.85	40.40
	40"	101.00	84.17	61.28	60.60
Tanjung Priok	20"	87.00	65.25	58.70	58.70
	40"	130.50	97.87	88.05	88.05

Note: MMC Ports and Westports tariffs are denominated in RM and have been converted to US\$ by using <https://www.xe.com/currencyconverter/> (1 US\$ = RM 4.4552281 as on 2nd April 2025)

Source: MMC Ports, Westports, JICT, KOJA

MMC Ports (Penang Port, Johor Port, and PTP) tariffs are generally lower than those of Westports. For transshipment, the PTP tariff is a bit higher than Westports, but it is still much lower than that of Tanjung Priok. Based on the terminal handling surcharges published by the shipping lines such as CMA CGM and ONE, MMC Ports' charges are about 40-50% lesser than the Port of Singapore. The competitiveness of Malaysia in terms of tariffs and ability to offer high-quality port infrastructure makes the country an attractive destination.

4 Overview of non-containerised trade in Malaysia

4.1 Major commodities

The major non-containerised commodities handled by Malaysian ports can broadly be split into four sub-categories, namely Dry bulk, Liquid bulk, Breakbulk and Ro-Ro, which are further classified into individual commodities:

Table 6: Major commodities of Malaysia

Dry bulk	Liquid bulk	Breakbulk	Ro-Ro
Coal	Crude oil	Steel products	Vehicles
Iron ore	Refined products	Scrap	
Aggregates	Chemicals	Timber	
Sand	Palm oil and its derivatives	General cargo	
Cement		Project cargo	

Source: Drewry

4.2 Bulk trades

4.2.1 Seaborne bulk trade

Malaysian bulk trades have grown over the past decade (2014-24) at 4.3% CAGR, with a projected increase from 288 million tonnes in 2024 to 357 million tonnes by 2029 at a 4.4% CAGR.

Table 7: Malaysia's imports and exports of bulk trade (million tonnes)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 2014-24
Dry bulk	80.2	92.2	113.5	184.6	156.2	123.1	123.1	165.0	140.8	139.1	150.0	6.5%
Crude oil	23.7	25.2	26.5	26.9	27.6	27.1	26.1	16.1	25.5	31.4	31.6	2.9%
Products (CPP)	58.1	58.3	69.3	70.0	69.8	68.8	77.3	76.5	78.1	81.8	79.6	3.2%
Chems/Veg oil	26.4	27.4	24.4	24.7	25.9	28.1	27.0	25.5	25.7	25.5	26.4	0.0%
Total	188.4	203.1	233.7	306.3	279.5	247.1	253.4	283.2	270.1	277.8	287.6	4.3%

Source: Drewry, Trade Data Monitor

4.2.2 Seaborne dry bulk trades

The Malaysian dry bulk trade constitutes a major component of the country's economic activity, with thermal coal and iron ore being the largest imported commodities by volume, representing more than 75% of the major dry bulk imports in 2024. Thermal coal remains an important part of Malaysia's primary energy consumption, with 35.6 million tonnes imported in 2024, but under the National Energy Policy 2022-40, the country aims to reduce the share of coal in the primary energy supply over the long term. It is expected that the reduced coal volumes over time will be replaced by low-carbon energy sources. Malaysia's iron ore imports, driven by the steel industry, reached 24.5 million tonnes in 2024. In terms of volume, sand is the largest bulk commodity exported, followed by aggregates, steel products, iron ore, fertiliser and cement.

8. INDUSTRY OVERVIEW (Cont'd)

4.2.3 Seaborne liquid bulk trade

Malaysia is a net importer of crude oil, importing 22.1 million tonnes and exporting 9.5 million tonnes in 2024, with crude imports increasing 7.7% per annum over the past decade. Malaysia's petroleum products trade is more balanced, with imports of 41.9 million tonnes and exports of 37.7 million tonnes in 2024. Over the past 10 years, exports of petroleum products from Malaysia grew 4.6% per annum, while total petroleum products trade (imports + exports) increased 3.2% per annum. Vegetable/animal oils and fats accounted for around 66% of Malaysia's total chemical imports/exports in 2024, with palm oil contributing the most in terms of volume. Malaysia is the second largest exporter of palm oil, with over 14.0 million tonnes exported in 2024 (around 35% of global exports). We expect the global dependence on Malaysian palm oil to rise, as Indonesian exports are declining due in part to the rising biodiesel mandate in the country.

4.3 Overview of non-containerised cargo of MMC Ports and competitive landscape

Non-containerised cargoes tend to be low value cargoes. Given high inland logistics cost, these cargoes are generally handled closest to the hinterland. As a result, the non-containerised cargoes become captive cargoes for the ports concerned. In most cases, non-containerised ports have little competition. MMC Ports handles non-containerised cargo in four of its ports, namely Johor Port, Northport, Penang Port and Tanjung Bruas Port. It handled 36.5 million tonnes in 2024. This makes MMC Ports the second largest non-containerised federal port operator in Malaysia behind Bintulu Port, which handled 45.3 million tonnes.

Table 8: MMC Ports Group – non-containerised cargo throughput (port-wise)

'000 FWT	2020	2021	2022	2023	2024
Johor Port	17,296	18,381	19,061	16,749	17,007
Northport	8,399	9,661	11,116	11,405	12,692
Penang Port	5,534	5,293	5,800	5,611	6,246
Tanjung Bruas Port	819	584	487	535	594
PTP	-	-	-	-	-
Total	32,047	33,919	36,463	34,300	36,538

Source: MMC Ports Group

In terms of the main non-containerised cargo categories, liquid bulk has the highest throughput in MMC Ports, followed by dry bulk, breakbulk and Ro-Ro. Johor Port is the main contributor to the liquid bulk throughput with palm oil being a leading commodity. Overall, volumes have been relatively steady in recent years. The year 2024 was positive for these four terminals of MMC Ports, with growth in non-containerised cargo volumes over the previous year.

Table 9: MMC Ports Group – non-containerised cargo throughput (commodity-wise)

'000 FWT	2020	2021	2022	2023	2024
Dry bulk	9,402	9,121	10,298	10,472	10,852
Liquid bulk	17,405	18,837	19,489	16,869	17,530
Breakbulk	4,524	5,139	5,262	5,649	6,858
Ro-Ro	717	821	1,415	1,311	1,298
Total	32,047	33,919	36,463	34,300	36,538

Source: MMC Ports Group

4.3.1 Johor Port (Pasir Gudang)

Johor Port is a multipurpose port that serves as a shipping gateway for the southern region of Peninsular Malaysia and is at the main trading lane across Singapore. It is well supported by access to the North-South Expressway and the National Railway services. The state of Johor contributes around 9.5% of Malaysia's GDP, making it the third-largest GDP contributor in Malaysia. Liquid bulk commodities are the main drivers of Johor Port's non-containerised cargoes, with the port handling 17.0 million tonnes of non-containerised volumes in 2024, of which liquid bulk accounted for 70%. The port is home to the world's largest palm oil terminal and is among the world's largest single edible oil terminals, serving as a strategically important regional hub. The liquid terminal's handling capacity is set to increase by 5 million tonnes to 20 million tonnes following the construction of two additional berths, which are expected to be operational in 2025. Dry bulk commodities accounted for around 27% of Johor Port's non-containerised cargo throughput in 2024. The largest contributor to the dry bulk throughput was clinker/cement/gypsum, which is largely driven by the construction industry in the Johor region. It has one of Malaysia's biggest terminals for fertiliser and cement. The port is also used for the transshipment of some of the bulk cargoes such as fertilisers and cement.

Competitive landscape

The Port of Pengerang, a hub for the oil and gas industry, supports the major industrial development, Pengerang Integrated Petroleum Complex (PIPC), which is being developed to promote the downstream oil and gas industries in the state of Johor with significant investment from Petronas (Malaysian national oil company). The project is being developed over four phases, from 2012 to 2037 and is unlikely to impact Johor's palm oil or edible oil market as it handles a different product mix (including liquified petroleum gas and liquified natural gas). Given their close proximity, Johor Port competes with ports in Singapore, particularly for chemical/oil cargoes. However, Johor Port offers significantly lower costs, giving it a competitive advantage.

4.3.2 Northport

Northport, located in Selangor, serves as a gateway port for central Malaysia. Selangor is the most economically significant state, accounting for 25.9% of the country's GDP. Non-containerised cargo throughput in 2024 set a new record with breakbulk cargoes comprising around 35% (excluding Ro-Ro). Since 2019, breakbulk cargo throughput has grown at a CAGR of 7.3% with iron and steel being the largest contributor to breakbulk cargoes, which is largely

8. INDUSTRY OVERVIEW (Cont'd)

driven by housing construction and infrastructure development. Liquid bulk cargoes surged at a CAGR of 8.2% since 2019, whereby petroleum and chemical product volumes together reached 2.4 million tonnes in 2024, while palm oil volumes were around 1.0 million tonnes. Dry bulk volumes increased steadily in recent years from 2.8 million tonnes in 2019 to 3.7 million tonnes in 2024, at a CAGR of 5.9%. In 2024, Northport's Ro-Ro throughput was 1.3 million freight weight tonnes (FWT) or 92,000 units. Ro-Ro volumes have the potential to increase in the coming years as the Malaysian government aims to turn the country into ASEAN's hub (for example, Tanjung Malim) for right-hand drive exports, next generation and energy-efficient vehicles. The volume of complete knocked-down units (vehicle parts which are later assembled) could contribute to the growth in automotive-related cargo. It handled 12.7 million FWTs in 2024 (record high since inception).

Competitive landscape

Northport's main competitor is Westports, which also operates in Port Klang. In 2024, Westports handled 12.2 million tonnes of non-containerised cargo (5.8 million tonnes of liquid bulk, 4.8 million tonnes of dry bulk and 1.6 million tonnes of breakbulk) in addition to 173,000 units of Ro-Ro volumes. However, over the past 10 years (2014–24), Northport's non-containerised volumes (excluding Ro-Ro's) grew at a faster CAGR of 4.5% than Westports' at 1.7%.

4.3.3 Penang Port

Penang Port, serves as a key gateway port to the northern region of Malaysia. Penang Port's throughput largely reflects import-export activities of the local economy and the key trading partners, such as Southern Thailand. Dry bulk throughput in Penang Port of around 2.5 million tonnes in 2024 represented about 40% of the total non-containerised cargoes, with agricultural products being the primary driver. Meanwhile, since 2021, liquid bulk volumes have remained at around 1.8 million tonnes. Breakbulk cargo throughput volumes have also remained relatively steady in Penang Port in recent years. However, in 2024, the breakbulk volumes increased substantially to 1.9 million tonnes, compared with 1.4 million tonnes the year before.

Competitive landscape

Lumut Port, situated around 200 kilometres south of Penang, is closer to the Lumut Industrial Area and handles dry bulk cargoes such as coal, limestone and raw materials. The presence of private jetties within the Lumut area adds an additional layer of competition. However, it is not a direct competitor to Penang Port for volumes of Northern Malaysia and Southern Thailand.

4.3.4 Tanjung Bruas Port

Tanjung Bruas Port serves as the primary gateway port for Melaka and the surrounding region where volume throughput of non-containerised cargo was 0.6 million tonnes in 2024.

Competitive landscape

Tanjung Bruas Port is located between the much larger Port Klang to the north and Johor Port to the south, in addition to other smaller operations in between. Tanjung Bruas primarily services the local business communities in Melaka and the surrounding regions.

4.3.5 Cruise Terminals

MMC Ports has ownership interests in three cruise terminals; (1) Swettenham Pier Cruise Terminal (SPCT), (2) Port Klang Cruise Terminal (PKCT), and (3) Langkawi Cruise Terminal (LCT). Located in Penang Island, SPCT is near George Town, a tourist destination within the UNESCO World Heritage Site whereas PKCT is the nearest port to Kuala Lumpur, the capital city of Malaysia, and LCT is located on Langkawi Island, which offers beaches and tourist attractions. The cruise terminals are equipped to accommodate a wide range of cruise ships and ferries, and offer amenities such as waiting lounges, retail outlets and dining options. These three cruise terminals under MMC Ports handle over 80% of the total Malaysian cruise passenger throughput. SPCT can berth some of the largest cruise vessels in the world.

4.3.6 Other ports/terminals of MMC Ports

In addition to the ports mentioned above, MMC Ports wholly-owned subsidiary Andaman Port Sdn Bhd, carries out ship-to-ship transfers services at Yan STS Port in Yan, Kedah of Malaysia.

5 Industry outlook and future industry development

Maritime trade plays a prominent role in Malaysia's economy, with approximately 98% of the country's trade carried out by sea. Malaysia is well-placed to benefit from future economic growth due to its strategic location along key shipping routes and is able to offer transshipment and logistics opportunities. With continued port and infrastructure investment, Malaysia can leverage its competitive advantage and improve its position as a key player in international trade. MMC Ports is well-positioned to capitalise on the industry's growth, leveraging its diverse portfolio of ports and strategic locations along the Strait of Malacca and across Malaysia's key economic regions. This geographical spread allows MMC Ports to tap into the unique economic strengths and trade flows of each region, enhancing its overall market coverage and operational flexibility. MMC Ports follows an integrated model with Free Zones, wide-ranging services straddling marine services (pilotage and towage), etc. which provides better resilience due to cargo stickiness in addition to its diverse portfolio in energy, transportation and logistics.

PTP has established itself as a dominant transshipment hub, capitalising on its strategic location at the confluence of major East-West shipping lanes. Meanwhile, Northport serves as a major transshipment hub and gateway for international and domestic cargo, contributing to Port Klang's rise to the 11th position among the world's busiest container ports. With its diverse portfolio of ports including robust liner network, MMC ports has established a strong market position in the growing economy of Malaysia and SEA.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

9.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

9.1.1 Profiles of our Promoters and substantial shareholders

(i) MMC Corp as our Promoter and substantial shareholder

MMC Corp was incorporated in Malaysia under the Act 1965 on 19 November 1976 as a private limited company under the name of Malayan Tin Dredging (M) Sdn Bhd and is deemed registered under the Act. It was converted into a public company and changed its name to Malayan Tin Dredging (M) Bhd on 8 March 1977. On 10 October 1981, it changed its name to Malaysia Mining Corporation Berhad and on 4 June 2004, it assumed its current name. MMC Corp is a utilities and infrastructure group with diversified businesses under four divisions, namely ports and logistics, energy and utilities, engineering and industrial development. MMC Corp's key businesses in the ports segment include the ports operated by the Company. In the energy and utilities segment, MMC Corp is the shareholder of Malakoff Corporation Berhad, Gas Malaysia Berhad and Aliran Ihsan Resources Berhad. MMC Corp's other operations include Senai International Airport and its international business in the ports sectors.

As at the LPD, the issued share capital of MMC Corp is RM3,937,899,423 comprising 2,000,000,000 ordinary shares and 2,677,926,975 preference shares.

The directors of MMC Corp are as follows:

- (a) Tan Sri Tajuddin bin Atan;
- (b) TSCK;
- (c) Dato' Abdul Hamid bin Sh Mohamed;
- (d) Dato' Siti Halimah binti Ismail;
- (e) Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar; and
- (f) Dato' Ir. Jamaludin bin Osman.

The shareholders of MMC Corp and their respective shareholding in MMC Corp are as follows:

Shareholder	Nationality/ Country of incorporation	Direct		Indirect	
		No. of ordinary shares in MMC Corp	%	No. of ordinary shares in MMC Corp	%
Seaport Terminal	Malaysia	2,000,000,000	⁽¹⁾ 100.0	-	-
Indra Cita	Malaysia	-	-	2,000,000,000	⁽²⁾ 100.0
TSSM	Malaysian	-	-	2,000,000,000	⁽³⁾ 100.0

Notes:

- (1) Seaport Terminal also holds 2,677,926,975 (100.0%) preference shares in MMC Corp.
- (2) Deemed interested by virtue of its shareholding in Seaport Terminal, applying Section 8(4) of the Act.
- (3) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(ii) Seaport Terminal as our Promoter and substantial shareholder

Seaport Terminal is our Promoter and substantial shareholder. As at the LPD, Seaport Terminal is an indirect holding company of MMC Ports and MMC Corp is a wholly-owned subsidiary of Seaport Terminal.

Seaport Terminal was incorporated in Malaysia under the Act 1965 on 22 July 1991 as a private limited company under its present name and is deemed registered under the Act. The principal activities of Seaport Terminal are investment holding and provisions of the development and management of port facilities.

As at the LPD, the issued share capital of Seaport Terminal is RM10,000,000 comprising 10,000,000 ordinary shares.

The directors of Seaport Terminal are as follows:

- (a) TSSM; and
- (b) Syed Danial bin Syed Mokhtar Shah.

The shareholders of Seaport Terminal and their respective shareholding in Seaport Terminal as at the LPD are as follows:

Shareholder	Nationality / Country of incorporation	Direct		Indirect	
		No. of ordinary shares in Seaport Terminal	%	No. of ordinary shares in Seaport Terminal	%
Indra Cita	Malaysia	10,000,000	100.0	-	-
TSSM	Malaysian	-	-	10,000,000	⁽¹⁾ 100.0

Note:

- (1) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act.

(iii) Indra Cita as our substantial shareholder

Indra Cita is our substantial shareholder.

Indra Cita was incorporated in Malaysia under the Act 1965 on 28 August 1993 as a private limited company under its present name and is deemed registered under the Act. Indra Cita is principally engaged in investment holding with investment in MMC Corp.

As at the LPD, the issued share capital of Indra Cita is RM11,000,000 comprising 1,000,000 ordinary shares and 10,000,000 preference shares.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

The shareholders of Indra Cita and their respective shareholding in Indra Cita as at the LPD are as follows:

Shareholder	Nationality	Direct		Indirect	
		No. of ordinary shares in Indra Cita	%	No. of ordinary shares in Indra Cita	%
TSSM	Malaysian	⁽¹⁾ 999,999	100.0	-	-
Puan Sri Sharifah Zarah binti Syed Kechik Albukhary	Malaysian	1	*	-	-

Notes:

* *Negligible.*

(1) TSSM also holds 10,000,000 (100.0%) preference shares in Indra Cita.

(iv) TSSM as our substantial shareholder

TSSM, a Malaysian, is our substantial shareholder by virtue of his interest in Indra Cita. For his family relationship with our substantial shareholders, Promoters and Directors, see Section 9.5 of this Prospectus.

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9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.1.2 Shareholding of our Promoters and substantial shareholders

The following tables set out the direct and indirect shareholding of our Promoters and substantial shareholders before and after our IPO:

Name/ Country of incorporation/ Nationality	Before our IPO ⁽¹⁾				After our IPO							
	Direct		Indirect		Assuming the Over-allotment Option is not exercised ⁽²⁾				Assuming the Over-allotment Option is fully exercised ⁽³⁾			
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders												
MMC Corp/ Malaysia	14,240,000,000	100.0	-	-	9,968,000,000	70.0	-	-	9,327,200,000	65.5	-	-
Seaport Terminal/ Malaysia	-	-	14,240,000,000	⁽⁴⁾ 100.0	-	-	9,968,000,000	⁽⁴⁾ 70.0	-	-	9,327,200,000	⁽⁴⁾ 65.5
Substantial shareholders												
Indra Cita/ Malaysia	-	-	14,240,000,000	⁽⁵⁾ 100.0	-	-	9,968,000,000	⁽⁵⁾ 70.0	-	-	9,327,200,000	⁽⁵⁾ 65.5
TSSM/ Malaysian	-	-	14,240,000,000	⁽⁶⁾ 100.0	-	-	9,968,000,000	⁽⁶⁾ 70.0	-	-	9,327,200,000	⁽⁶⁾ 65.5

Notes:

(1) Based on our issued Shares of 14,240,000,000 Shares after the Subdivision.

(2) Based on our issued Shares of 14,240,000,000 Shares upon our Listing.

(3) Assuming an Over-allotment Option of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered, is fully exercised.

(4) Deemed interested by virtue of its shareholding in MMC Corp, applying Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholding in Seaport Terminal, applying Section 8(4) of the Act.

(6) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act.

Our Promoters and our substantial shareholders do not have different voting rights from our other shareholders.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Save as disclosed above, there are no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement the operation of which may result in the change in control of our Company at a date subsequent to our IPO and our Listing.

9.1.3 Changes in our Promoters' and substantial shareholders' shareholdings in our Company for the past three years

Save as disclosed below, there has been no change in our Promoters' and substantial shareholders' shareholdings in our Company for the past three years preceding the LPD:

Name	As at 31 December 2022				As at 31 December 2023			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
MMC Corp	⁽¹⁾ 3,546,417,409	100.0	-	-	3,546,417,409	100.0	-	-
Seaport Terminal	-	-	3,546,417,409	⁽²⁾ 100.0	-	-	3,546,417,409	⁽²⁾ 100.0
Indra Cita	-	-	3,546,417,409	⁽³⁾ 100.0	-	-	3,546,417,409	⁽³⁾ 100.0
TSSM	-	-	3,546,417,409	⁽⁴⁾ 100.0	-	-	3,546,417,409	⁽⁴⁾ 100.0

Name	As at 31 December 2024				As at LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
MMC Corp	3,560,000,000	100.0	-	-	3,560,000,000	100.0	-	-
Seaport Terminal	-	-	3,560,000,000	⁽²⁾ 100.0	-	-	3,560,000,000	⁽²⁾ 100.0
Indra Cita	-	-	3,560,000,000	⁽³⁾ 100.0	-	-	3,560,000,000	⁽³⁾ 100.0
TSSM	-	-	3,560,000,000	⁽⁴⁾ 100.0	-	-	3,560,000,000	⁽⁴⁾ 100.0

Notes:

- (1) MMC Corp and Anglo-Oriental (Annuities) Sdn Bhd (wholly-owned by MMC Corp) hold 978,578,872 and 86,767,926 RCPS respectively which were redeemed out of capital on 29 December 2023.
- (2) Deemed interested by virtue of its shareholding in MMC Corp, applying Section 8(4) of the Act.
- (3) Deemed interested by virtue of its shareholding in Seaport Terminal, applying Section 8(4) of the Act.
- (4) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.1.4 Amounts/benefits paid/given or proposed to be paid to our Promoters and our substantial shareholders

No amounts have been paid or benefits given or proposed to be paid or given to our Promoters and substantial shareholders within the two years preceding the date of this Prospectus, except for dividends paid to our shareholders.

9.2 BOARD OF DIRECTORS

Our Board acknowledges and takes cognisance of the MCCG which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies.

Our Company has adopted the recommendations under the MCCG to have a Board comprising a majority of Independent Non-Executive Directors.

With that, our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Group effectively. Our Board is also committed to achieving and sustaining high standards of corporate governance.

Within the limits set by our Constitution, our Board is responsible for the governance and management of our Group. To ensure the effective discharge of its functions, our Board has set out the following key responsibilities in the Board Charter:

- (i) Promote sound corporate governance culture within our Group, which reinforces ethical, prudent and professional behaviour;
- (ii) Review, challenge, and decide on management's proposals for our Group and monitor their implementation;
- (iii) Review the overall strategic plans and programmes for our Group and ensure that they support long-term value creation and include strategies on economic, environmental and social considerations that underpin sustainability;
- (iv) Oversee the conduct of our Group's businesses and assess management's performance and whether the businesses are being properly managed;
- (v) Review and ensure that the transaction entered into with a related party is fair, reasonable and not to the detriment of minority shareholders;
- (vi) Identify and understand the principal risks of our Group's businesses, set the risk appetite within which our Board expects management to operate and ensure implementation of a proper risk management system to identify, analyse, evaluate, manage and monitor such financial and non-financial risks;
- (vii) Establish a succession plan for our Group;
- (viii) Develop and implement a shareholder communication policy for our Group;
- (ix) Review the adequacy and integrity of the management information and internal control systems of our Company and our Group, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and
- (x) Ensure the integrity of our Group's financial and non-financial reporting and that our Directors are able to understand financial statements and form a view of the information presented.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In addition, the roles and responsibilities of our Chairman are clearly segregated to further enhance and preserve a balance of authority and accountability. Our Chairman is primarily responsible for the following:

- (i) Provide leadership to our Board to ensure our Board can perform its responsibilities effectively;
- (ii) Lead our Board in ensuring that good corporate governance practices and procedures are adopted and implemented in our Group;
- (iii) Chair meetings of our Board and discussions in such a manner that stimulates debate on issues before our Board, encourages active participation and allows dissenting views to be freely expressed;
- (iv) Chair meetings of shareholders and ensure effective communication with shareholders and relevant stakeholders, and that their views are communicated to our Board;
- (v) Consult our company secretary in setting the agenda for the meeting and ensure our Directors receive complete and accurate information in a timely manner;
- (vi) Act as liaison between our Board and management. Our Chairman should act as the main link between our Board and management, particularly between our Board and our Chief Executive Officer;
- (vii) Ensure proper committee structure, including assignments of members and committee chairmen. Our Chairman should also ensure that there is a succession plan framework for our Board, evaluated by the Nomination and Remuneration Committee and approved by our Board;
- (viii) Ensure that all Board members, upon taking up their office, are fully briefed on the terms of their appointment, time commitment, duties and responsibilities, and the business of our Group;
- (ix) Conduct a performance assessment of our Board, its committees and individual Directors; and
- (x) Lead our Board in its collective oversight of our management.

On the other hand, our Chief Executive Officer is primarily responsible for the following:

- (i) Foster a corporate culture among the employees that promotes ethical practices, encourages individual integrity, and fulfilment of corporate social responsibility;
- (ii) Develop and recommend to our Board a long-term strategy and vision for our Company that will lead to the creation of shareholders' value;
- (iii) Develop and recommend to our Board our Group's operational plans and budgets that support our Group's long-term strategy;
- (iv) Ensure achievement of our Company's objectives and goals, as contained in the strategic plan;
- (v) Manage the overall business and oversee the day-to-day operations of our Company;
- (vi) Recommend management structure and operating authority levels, which include delegation of responsibilities to management;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (vii) Ensure that our Company has an effective management team and an active plan for its development and succession. Reports to our Board annually on the succession and management development plan;
- (viii) Formulate and oversee the implementation of major corporate policies;
- (ix) Responsible for the financial management of our Company and overseeing the handling of financial matters, which includes keeping proper accounts and ensuring efficient and effective use of all resources;
- (x) Report to our Board on key performance indicators in relation to the financial results, market conditions and other developments; and
- (xi) Reports to our Board on significant business decisions undertaken by our Group.

The details of the members of our Board and the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Director	Designation	Age ⁽¹⁾	Date of appointment	Date of expiration of the current term of office	No. of years and months in office ⁽¹⁾
TSCK	Non-Independent Non-Executive Chairman	59	25 November 2014 ⁽²⁾	Subject to retirement by rotation at the AGM in 2026	10 years 5 months
Sharifah Sofia binti Syed Mokhtar Shah	Non-Independent Non-Executive Director	31	22 April 2025	Subject to retirement by rotation at the AGM in 2028	Less than 1 month
Dato' Mohamed Rafique bin Mohd Wahiduddin Merican	Independent Non-Executive Director	60	22 April 2025	Subject to retirement by rotation at the AGM in 2027	Less than 1 month
Johari bin Abdul Muid	Independent Non-Executive Director	67	22 April 2025	Subject to retirement by rotation at the AGM in 2027	Less than 1 month
Aznita binti Abdul Aziz	Independent Non-Executive Director	53	5 June 2025	Subject to retirement by rotation at the AGM in 2026	-(3)
Datuk Syed Hamadah Othman	Independent Non-Executive Director	54	5 June 2025	Subject to retirement by rotation at the AGM in 2026	-(3)

Notes:

- (1) The age and number of years and months in office of the respective directors are as at the LPD.
- (2) Appointed as Director of MMC Ports since 25 November 2014. Redesignated as Non-Independent Non-Executive Chairman on 23 April 2025.
- (3) Appointed after the LPD.

None of our Directors represent any corporate shareholder on our Board save for TSCK who is the representative of MMC Corp on our Board. Further, there are no family relationships between our Directors. For details on the associations and family relationships between our Promoters, substantial shareholders, Directors and key senior management, see Section 9.5 of this Prospectus.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.1 Profiles of our Directors

(i) TSCK

Tan Sri Che Khalib Mohamad Noh, a Malaysian aged 59, is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 25 November 2014 and redesignated as our Non-Independent Non-Executive Chairman on 23 April 2025.

He was admitted as an associate member of ACCA in 1995 and became a Fellow member of ACCA in 2000. He is also a member of MIA since 2001. He is a member of the ICDM.

He began his career in 1989 as an Audit Assistant with Messrs Ernst & Young. Later that same year, he joined Bumiputra Merchant Bankers Berhad as a Credit Officer in the Corporate Banking Department. He served Bumiputra Merchant Bankers Berhad until 1992 with his last position being Assistant Manager.

Between 1992 and 1999, he held various corporate finance and executive positions within the Renong Berhad group of companies, including Senior Manager of Corporate Affairs at Projek Lebuhraya Utara Selatan Berhad, General Manager of Corporate Finance at HBN Management Sdn Bhd, and Chief Operating Officer at Renong Overseas Corporation Sdn Bhd. He was subsequently appointed as Managing Director of Marak Unggul Sdn Bhd, the consortium managing Keretapi Tanah Melayu Berhad.

In 1999, he joined SAJH as Chief Executive Officer. In 2000, he was concurrently appointed Chief Executive Officer of Ranhill Utilities, the listing vehicle of SAJH, managing water utility services for the State of Johor. Under his leadership, Ranhill Utilities was successfully listed on the then Kuala Lumpur Stock Exchange in 2002. He resigned as Chief Executive Officer from both entities in November 2002.

In November 2002, he was appointed Managing Director and Chief Executive Officer of KUB Malaysia Berhad, where he led the company's corporate restructuring and transformation initiatives. He served in this capacity until June 2004.

In July 2004, he was appointed President / Chief Executive Officer of Tenaga Nasional Berhad, a position he held for eight years until June 2012. He subsequently joined DRB-HICOM Berhad in July 2012 as Chief Operating Officer of Finance, Strategy and Planning, where he was responsible for the DRB-HICOM Berhad group's overall finance, strategic planning and corporate development functions. He left DRB-HICOM Berhad in 2013 to join MMC Corp as Group Managing Director, a position he continues to hold.

He has over three decades of experience spanning accounting, banking, corporate finance, utilities, infrastructure, and strategic investment management.

He currently serves on the boards of Gas Malaysia Berhad and Malakoff Corporation Berhad, both public companies listed on the Main Market of Bursa Securities.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(ii) Sharifah Sofia binti Syed Mokhtar Shah

Sharifah Sofia binti Syed Mokhtar Shah, a Malaysian aged 31, is our Non-Independent Non-Executive Director. She was appointed to our Board on 22 April 2025.

She obtained a Bachelor of Science in Economics from the University of York, United Kingdom, in 2015 and a Master of Science in Development Management from the London School of Economics and Political Science, United Kingdom, in 2016. She is currently pursuing a Master of Public Administration in Global Leadership at the School of International and Public Affairs (SIPA) from Columbia University, United States.

She began her career in 2015 with the Bill & Melinda Gates Foundation as an external consultant working with the Ethiopia Country team to produce an integrated index for women in agriculture. She remained with the foundation until the completion of the project in 2016.

In 2017, she served as a Special Officer to the Group Chief Executive Officer at Pos Malaysia Berhad. She was subsequently appointed as Executive Director of Tradewinds Group (M) Sdn Bhd from 2017 to 2022, where she was responsible for overseeing financial and treasury functions, business restructuring and debt financing. During this period, she also served on the boards of MMC Corp, DRB-HICOM Berhad and Pos Malaysia Berhad, all of which were public companies listed on the Main Market of Bursa Securities upon her appointment in 2018.

She has served as a trustee of Yayasan Albukhary since 2018, where she led the strategic development of Albukhary International University. She also spearheaded various social impact initiatives including education programs for underprivileged students and entrepreneurship development in rural communities.

From 2023 to March 2024, she was an investment analyst at Gateway Partners, a private equity firm in Singapore, where she evaluated investment opportunities and was involved in deal execution, structuring and portfolio management across South and Southeast Asia. In September 2024, she was engaged as an external consultant with the UN DESA in New York, where she conducted research and analysis on financial regulations aimed at advancing private sector investment in sustainable development. She remained with the UN DESA until the completion of the project in December 2024.

(iii) Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican

Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican, a Malaysian aged 60, is our Independent Non-Executive Director. He was appointed to our Board on 22 April 2025.

He completed his Foundation in Accountancy at Derbyshire College of Higher Education, United Kingdom in 1985. He was admitted as a member of the ACCA since 1998 and as a Fellow in 2002. He is also a certified Chartered Accountant of the MIA since 2002.

He commenced his career in 1991 as an Audit Assistant at Land & General Berhad. Within the same year, he subsequently joined Bumiputra Merchant Bankers Berhad as an Assistant Officer in the Corporate Advisory Department. He left Bumiputra Merchant Bankers Berhad in 1994 with his last position being Assistant Manager. He joined Landmarks Berhad in 1994, as a Corporate Finance Manager where he was responsible for finance and accounting

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

functions. Shortly thereafter, he was transferred to Samrand Development (Pty) Ltd as a Finance Manager, where he took on similar roles.

In 1996, he had a short stint as the Assistant General Manager of Corporate Planning of Medas Corporation Berhad where he took on a business development role. In July of the same year, he left Medas Corporation Berhad to join Taiping Consolidated Berhad, a property development company, as a Manager in the Corporate Finance Department, where he was later seconded to Sentul Raya Development as a General Manager in 1997. Whilst with Taiping Consolidated Berhad, he was responsible for the corporate finance function of the Group, comprising corporate fundraising and planning roles.

In 1998, he joined Amanah Capital Partners Berhad as the Senior Manager of the Group Corporate Services Department, where he was responsible for the corporate planning and finance functions, including business development. He was subsequently promoted to Director of the same department. He resigned in 2002 to join Malakoff Berhad as their Chief Financial Officer and Joint Company Secretary where he was responsible for the finance, accounting, taxation and investor relations function of Malakoff Berhad. He left Malakoff Berhad in 2004 and took on the role of Chief Operating Officer at Radicare (M) Sdn Bhd, a facilities management company that specialises in non-clinical support services to the healthcare sector in Malaysia. He was subsequently promoted to Chief Executive Officer in 2007 until his resignation in 2009.

In August 2009, he joined Tenaga Nasional Berhad as their Chief Financial Officer, a position he would hold until his resignation in 2012. He was appointed as the Group Chief Financial Officer of Maybank in 2012, where he was responsible for the finance, accounting, taxation and investor relations function of the Maybank group of companies. He was appointed as the Group Head, Islamic Banking and Chief Executive Officer of Maybank Islamic Berhad in 2016, where he was responsible for the planning, strategy and overall performance of the Islamic banking business of the Maybank group. He was redesignated as an adviser in March 2024 until his retirement in June 2024.

(iv) Johari bin Abdul Muid

Johari bin Abdul Muid, a Malaysian aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 22 April 2025.

He was admitted as an Associate of the CIMA in 1997 and became a Fellow of the CIMA and is currently a retired member of the CIMA. He is a fellow member of the ICDM.

He began his career in 1981 as a Money Market Dealer at Asian International Merchant Bank Bhd (the predecessor of Public Investment Bank Berhad) where he served until 1983. He then joined Pertanian Baring Sanwa Multinational Berhad (the predecessor of Commerce International Merchant Bankers Bhd and now known as CIMB Bank Berhad) where he served in various roles within the Treasury Division and was appointed Head of Treasury in 1988. In 1994, he moved to CIMB Securities as Senior Vice President of Institutional Sales, where he was instrumental in establishing the firm's CIMB Securities' Institutional Sales Team. He remained with CIMB Securities until 2003.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2003, he joined ValueCap Sdn Bhd as the Chief Investment Officer, a position he held until 2004. He was then appointed as Chief Investment Officer (Equity) at the EPF in 2004. From 2004 to 2011, he held various senior positions at the EPF, including Deputy Chief Executive Officer (Investment), and Deputy Chief Executive Officer of the Policy and Corporate Planning Division. During his tenure at EPF, he was responsible for overseeing the EPF's investment strategy, policy formulation, corporate planning, as well as training and human resource development.

In 2011, he was appointed Managing Director of RHB Bank Berhad, a role he held until his retirement in 2013 where he was instrumental in steering the bank's strategic direction and operational growth.

He was subsequently appointed by the MOF to serve as a public interest director of Bursa Securities from 2016 to 2020.

He received the award of Johan Mangku Negara for meritorious service by DYMM Yang di-Pertuan Agong in 2009.

He has over three decades of experience in the financial services industry, encompassing banking, capital markets, investment management, and corporate governance.

(v) **Aznita binti Abdul Aziz**

Aznita binti Abdul Aziz, a Malaysian aged 53, is our Independent Non-Executive Director. She was appointed to our Board on 5 June 2025.

She graduated with a Bachelor of Science (Honours) in Economics and Accounting in 1994 and obtained a Master of Science in Economics and Finance in 1996, both from the University of Bristol, United Kingdom. She is a member of the ICDM.

She has over 25 years of experience in the oil and gas industry, primarily within the PETRONAS group of companies, with a focus on corporate planning, risk management, portfolio strategy, gas supply planning, project economic evaluation and treasury operations. She began her career in 1995 as an Executive at Petronas Trading Corporation Sdn Bhd, where she was involved in supporting global trade operations for crude oil and oil products. She was on leave in 1997 until her return to PETRONAS in 1998 to serve as Senior Executive in the Business Evaluation Unit within the Corporate Planning and Development Division, where she was responsible for conducting economic evaluations for new projects and mergers and acquisitions.

She subsequently held various key roles, including as an Analyst in the Manufacturing Planning and Supply Group of Oil Business and as Manager of Foreign Currency Liquidity Management in the Group Treasury Division. Between 2009 and 2013, she was transferred under PETRONAS's internal mobility framework to Malaysia LNG Sdn Bhd, where she served as Senior Manager of Risk Management and was subsequently as Head of Risk Management at Petronas LNG Sdn Bhd, leading risk management initiatives for liquefied natural gas trading and marketing activities.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

From 2013 to 2021, she served as Senior Manager of Gas Supply Origination at Malaysia Petroleum Management, PETRONAS. She subsequently moved up the ranks and assumed senior leadership roles, including Head of Portfolio Risk Management in the Group Risk Management Division and finally, as Head of Strategic Planning and Portfolio Management in the Corporate Strategy Division — a position she held until her retirement in 2021. In this role she led group-wide portfolio review exercises and facilitated strategic planning discussions including on energy transition strategies at the “C-Suite” (top level executives) and board levels.

She currently serves on the board of Steel Hawk Berhad, a public company listed on the Ace Market of Bursa Securities.

(vi) **Datuk Syed Hamadah Syed Othman**

Datuk Syed Hamadah Syed Othman, a Malaysian aged 54, is our Independent Non-Executive Director. He was appointed to our Board on 5 June 2025.

He graduated with a Bachelor of Science (Honours) in Actuarial Mathematics and Statistics from Heriot-Watt University, United Kingdom in 1994. He was admitted as Fellow of the Faculty of Actuaries in Scotland (the predecessor of the Institute and Faculty of Actuaries) in 2010. He is also currently a Fellow member of the Actuarial Society of Malaysia.

In 1994, he began his career as a Technical Analyst at Petronas Trading Corporation Sdn Bhd, before leaving in 1996 to join Mercer Zainal Consulting Sdn Bhd as an Analyst. He rose through the ranks, progressing from Analyst to Consultant, then Senior Consultant and eventually Principal. Following a management buyout in 2011, the firm was rebranded as Actuarial Partners, where he served as Partner and Director until 2018.

In 2018, he was appointed Chief Executive Officer of the Retirement Fund Inc. (KWAP), a position he held until 2020. He then rejoined Actuarial Partners as a Senior Partner in 2020 and was subsequently appointed a Director of Actuarial Partners in 2022. He stepped down from his role as Senior Partner in 2023 to take up his appointment as the Group Managing Director and Chief Executive Officer of Lembaga Tabung Haji, a position he held from 2023 to May 2025, while continuing to serve as a Director at Actuarial Partners. Following the end of his tenure at Lembaga Tabung Haji, he resumed employment as a Senior Partner and Actuary at Actuarial Partners Consulting Sdn Bhd.

He has over 25 years of experience in the actuarial and financial services industry, spanning consulting, pension fund management and institutional leadership. He is currently an Adjunct Professor at the Faculty of Computer and Mathematical Sciences of Universiti Teknologi MARA.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.2.2 Shareholding of our Directors

The following table sets out the direct and indirect shareholdings of our Directors before and after our IPO:

Name	After our IPO											
	Before our IPO ⁽¹⁾				Assuming the Over-allotment Option is not exercised ⁽²⁾				Assuming the Over-allotment Option is fully exercised ⁽³⁾			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
TSCK	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Sharifah Sofia binti Syed Mokhtar Shah	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Johari bin Abdul Muid	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Aznita binti Abdul Aziz	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Datuk Syed Hamadah Syed Othman	-	-	-	-	100,000	*	-	-	100,000	*	-	-

Notes:

* *Negligible*

(1) *Based on our issued Shares of 14,240,000,000 Shares after the Subdivision.*

(2) *Based on our issued Shares of 14,240,000,000 Shares upon our Listing and assuming full subscription of the Offer Shares allocated to our Directors under the allocation for the Eligible Persons in respect of the Retail Offering.*

(3) *Assuming an Over-allotment Option of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered, is fully exercised.*

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.2.3 Principal business activities performed by our Directors outside our Group in the past five years

The principal business activities performed by our Directors outside our Group as at the LPD or otherwise specifically mentioned, and the directorships held by our Directors outside our Group at present and in the past five years preceding the LPD or otherwise specifically mentioned are as follows:

(i) TSCK

Name of company/ entity	Principal activities	Involvement in business activities
Present directorships and other involvement in principal business activities outside our Group		
• Alam Flora Sdn Bhd* (<i>subsidiary of Malakoff Corporation Berhad which is listed on the Main Market of Bursa Securities</i>)	• Provision of integrated solid waste collection and public cleansing management services	• Director (<i>Appointed on 17 February 2020</i>)
• Aliran Ihsan Resources Berhad*	• Investment holding, provision of services related to water treatment and reduction of non-revenue water and of operation, maintenance and management of water treatment plants	• Director (<i>Appointed on 1 July 2013</i>)
• Anglo-Oriental (Annuities) Sdn Bhd*	• Investment and property holding	• Director (<i>Appointed on 1 July 2013</i>)
• Bank Muamalat Malaysia Berhad (<i>subsidiary of DRB-HICOM Berhad which is listed on the Main Market of Bursa Securities</i>)	• Islamic banking business and related financial services	• Director (<i>Appointed on 27 August 2012</i>)
• City Island Holdings Limited*	• Investment holding with its subsidiary involved in operation and maintenance of container terminals	• Director (<i>Appointed on 1 July 2013</i>)
• Gas Malaysia Berhad* (<i>listed on the Main Market of Bursa Securities</i>)	• Provision of management services and investment holdings with subsidiaries primarily involved in the development, operation and maintenance of gas distribution pipelines; the sale, marketing and promotion of natural gas, including liquefied petroleum gas (including sale via reticulation system) and compressed natural gas and other gaseous fuels; the provision of related services and energy solutions; and property holding	• Director (<i>Appointed on 1 July 2013</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities
• Jati Saksama Sdn Bhd	• Property investment and development	• Director (<i>Appointed on 19 November 2013</i>)
• Kontena Nasional*	• Haulage of containers, warehousing and provision of freight forwarding services	• Director (<i>Appointed on 3 December 2015</i>)
• Malakoff Corporation Berhad* (<i>listed on the Main Market of Bursa Securities</i>)	• Investment holding with subsidiaries involved in design, engineering, procurement, construction, installation, commissioning, testing, operation and maintenance of power plants, generation and sale of electrical energy and generating capacity of the power plant	• Director (<i>Appointed on 1 July 2013</i>) and shareholder (direct)
• MMC Corp	• Undertakes mining and mineral exploration activities and also derives income from its investments. The subsidiaries of the company are principally involved in engineering, infrastructure and utilities	• Director (<i>Appointed on 1 July 2013</i>)
• MMC Engineering & Construction Sdn Bhd*	• Provision of civil engineering works related to natural gas pipelines construction, marine structures and facilities, earthworks and power plants	• Director (<i>Appointed on 31 December 2019</i>)
• MMC Engineering Group Berhad *	• Engineering, management services and investment holding	• Director (<i>Appointed on 1 July 2013</i>)
• MMC Engineering Sdn Bhd*	• Specialised engineering and construction works	• Director (<i>Appointed on 1 July 2013</i>)
• MMC Gamuda KVMRT (PDP SSP) Sdn Bhd*	• Undertake, construct, maintain, improve, develop, implement, control, execute and manage the Klang Valley Mass Rapid Transit Project – Sungai Buloh – Serdang – Putrajaya Line in Malaysia	• Director (<i>Appointed on 30 January 2015</i>)
• MMC Gamuda KVMRT (PDP) Sdn Bhd*	• Undertake, construct, maintain, improve, develop, implement, control, execute and manage the Klang Valley Mass Rapid Transit Project – Sungai Buloh – Kajang Line in Malaysia	• Director (<i>Appointed on 1 July 2013</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities
• MMC Gamuda KVMRT (T) Sdn Bhd*	• Design, construction, testing and commissioning of the Klang Valley Mass Rapid Transit Project Underground Works (tunnels, stations and associated structures)	• Director (<i>Appointed on 1 July 2013</i>)
• MMC Infra Padi Sdn Bhd*	• To construct, build, develop, maintain, operate, own and transfer infrastructure facilities including water supply projects, irrigation projects, inland water ways and public facilities of a similar nature	• Director (<i>Appointed on 21 August 2024</i>)
• MMC Land Sdn Bhd*	• Investment holding with its subsidiary involved in industrial property development	• Director (<i>Appointed on 13 June 2024</i>)
• MMC Oil & Gas Engineering Sdn Bhd*	• Provision of professional engineering services to the oil & gas industry	• Director (<i>Appointed on 12 June 2018</i>)
• MMC-Gamuda Joint Venture Sdn Bhd*	• Design, construction, testing, commissioning and maintenance of the Electrified Double Tracking Project between Ipoh and Padang Besar	• Director (<i>Appointed on 1 July 2013</i>)
• Northern Technocity Sdn Bhd*	• Property development	• Director (<i>Appointed on 28 January 2016</i>)
• Projek Smart Holdings Sdn Bhd*	• Investment holding with no current immediate investment plan	• Director (<i>Appointed on 1 July 2013</i>)
• Red Sea Gateway Terminal Company Limited*	• Operation and maintenance of container terminals	• Director (<i>Appointed on 1 April 2016</i>)
• Red Sea Ports Development Company Limited*	• Operation and maintenance of container terminals	• Director (<i>Appointed on 1 April 2016</i>)
• Retro Highland Sdn Bhd*	• Property development	• Director (<i>Appointed on 5 July 2021</i>)
• Salcon MMCB AZSB JV Sdn Bhd*	• Carry on all or any of the business involving process engineering, construction and operation for clean water and waste treatment plants and pipe networks and related mechanical, electrical and instrumentation works	• Director (<i>Appointed on 8 April 2014</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities
• Seaport Worldwide*	• Property development	• Director <i>(Appointed on 1 July 2013)</i>
• Senai Airport City Sdn Bhd*	• Property development	• Director <i>(Appointed on 27 June 2014)</i>
• Senai Airport Terminal Services Sdn Bhd*	• To manage, operate, maintain and develop the Senai International Airport and to provide airport and aviation related services in the Senai International Airport	• Director <i>(Appointed on 1 July 2013)</i>
• Universiti Sultan Zainal Abidin	• Public university	• Director <i>(Appointed on 17 October 2022)</i>
Past directorships		
• KTMB MMC Cargo Sdn Bhd*	• Rail freight transporter and other related businesses in the rail cargo sector such as forwarding, shipping and chartering agents	• Director <i>(Appointed on 3 December 2015 and resigned on 17 August 2021)</i>
• Syarikat Mengurus Air Banjir & Terowong Sdn Bhd	• Design and construct the design and construction of the Stormwater Management and Road Tunnel project, comprising the stormwater channel and motorway works, operate, manage the toll operations and maintain the motorway	• Director <i>(Appointed on 1 July 2013 and resigned on 13 October 2022)</i>
• UEM MMC Joint Venture Sdn Bhd*	• Investment holding with investment in road construction, engineering and consultancy	• Director <i>(Appointed on 4 October 2016 and resigned on 27 October 2023)</i>

Note:

* *Subsidiaries / associates / joint ventures of MMC Corp.*

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(ii) Sharifah Sofia binti Syed Mokhtar Shah

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorships and other involvement in principal business activities outside our Group		
• AIU Endowment for Education	• Promoting education and research which are objects are useful for the community of Malaysia and promoting charity	• Director (<i>Appointed on 8 February 2022</i>)
• AIU Social Enterprise Sdn Bhd	• Activities of holding companies; business management consultancy services	• Substantial shareholder (direct)
• Bukhary Development Sdn Bhd	• Property development and investment holding	• Substantial shareholder (direct)
• Bukhary (K.L.) Sdn Bhd	• Export and import of other foodstuffs	• Substantial shareholder (direct)
• Etika Strategi Sdn Bhd	• Investment holdings with investment in DRB-HICOM Berhad	• Director (<i>Appointed on 16 October 2019</i>)
• Pendidikan Albukhary Sdn Bhd	• Education	• Director (<i>Appointed on 4 January 2021</i>) and substantial shareholder (direct)
• SKS International Logistics Berhad	• Forwarding of freight; activities of holding companies; other transportation support activities N.E.C.	• Substantial shareholder (direct)
• Yayasan Albukhary	• To receive administer fund in furtherance and promotion charitable, education and scientific purposes	• Director (<i>Appointed on 12 January 2021</i>)
Past directorships		
• AIU Ilmu Sdn Bhd	• Administrative educational services	• Director (<i>Appointed on 21 May 2018 and resigned on 20 December 2022</i>)
• AIU Sdn Bhd	• Provide higher learning education and investment holding	• Director (<i>Appointed on 21 May 2018 and resigned on 20 December 2022</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company/ entity	Principal activities	Involvement in business activities
• AIU Social Enterprise Sdn Bhd	• Activities of holding companies; business management consultancy services	• Director (<i>Appointed on 3 November 2022 and resigned on 10 October 2023</i>)
• Bukhary Development Sdn Bhd	• Property development and investment holding	• Director (<i>Appointed on 4 January 2021 and resigned on 20 December 2022</i>)
• Bukhary (K.L.) Sdn Bhd	• Export and import of other foodstuffs	• Director (<i>Appointed on 4 January 2021 and resigned on 20 December 2022</i>)
• Bukhary Land Sdn Bhd	• Property development	• Director (<i>Appointed on 4 January 2021 and resigned on 2 February 2023</i>)
• Bukhary Realty Sdn Bhd	• Receiving and administer fund in furtherance and promotion of charity, religion, education and science	• Director (<i>Appointed on 10 March 2021 and resigned on 20 December 2022</i>)
• Bukhary Sdn Bhd	• Investment holding and wholesaler of rice and sugar	• Director (<i>Appointed on 10 October 2019 and resigned on 20 December 2022</i>)
• DRB-Hicom Berhad (<i>listed on the Main Market of Bursa Securities</i>)	• Investment holding company with investment in automotive, aerospace and defence, postal, banking, services (including concession services, education, aviation, logistics and other) and properties segments	• Director (<i>Appointed on 13 April 2018 and resigned on 20 December 2022</i>)
• Energetic Advantage Sdn Bhd	• Provision of medical consultation services, manageable and operational hotel singgahan Albukhary	• Director (<i>Appointed on 28 March 2019 and resigned on 20 December 2022</i>)
• IAMM Sdn Bhd	• Other management consultancy activities N.E.C	• Director (<i>Appointed on 4 March 2022 and resigned on 20 December 2022</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company/ entity	Principal activities	Involvement in business activities
Lotus Advance Technologies Sdn Bhd	Investment holding with subsidiaries involved in engineering services	Director (<i>Appointed on 28 September 2017 and resigned on 4 January 2021</i>)
MMC Corp	Undertakes mining and mineral exploration activities and also derives income from its investments. The subsidiaries of the company are principally involved in engineering, infrastructure and utilities	Director (<i>Appointed on 28 May 2018 and resigned on 30 November 2022</i>)
Museum Restaurant & Cafe Sdn Bhd	Business of restaurants	Director (<i>Appointed on 30 April 2019 and resigned on 20 December 2022</i>)
Pos Malaysia Berhad (<i>listed on the Main Market of Bursa Securities</i>)	Provide postal and its related services which include receiving and dispatching of postal articles, postal financial services, dealing in philatelic products and sale of postage stamps	Director (<i>Appointed on 13 April 2018 and resigned on 20 December 2022</i>)
Seaport Terminal	Investment holding and provisions of the development and management of port facilities	Director (<i>Appointed on 7 December 2017 and resigned on 31 December 2022</i>)
SKS International Logistics Berhad	Forwarding of freight; activities of holding companies; other transportation support activities N.E.C.	Director (<i>Appointed on 26 October 2021 and resigned on 20 December 2022</i>)
SKS Transport Sdn Bhd	Transportation	Director (<i>Appointed on 10 October 2019 and resigned on 20 December 2022</i>)
Tradewinds Group (M) Sdn Bhd	Investment holding with subsidiaries involved in project management and development; provision of management services and commercial property investment and property development	Director (<i>Appointed on 22 May 2018 and resigned on 31 December 2022</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(iii) Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Past directorships		
• Etiqa General Takaful Berhad	• General takaful business	• Director (<i>Appointed on 1 January 2018 and resigned on 20 June 2024</i>)
• IBFIM	• Provision of training, advisory, consultancy, publication and distribution of books particularly relating to Islamic banking and finance	• Director (<i>Appointed on 6 March 2018 and resigned on 1 April 2024</i>)
• Maybank Islamic Asset Management Sdn Bhd	• Islamic fund management	• Director (<i>Appointed on 2 May 2018 and resigned on 22 April 2024</i>)

(iv) Johari bin Abdul Muid

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorships and other involvement in principal business activities outside our Group		
• Bank Muamalat Malaysia Berhad (<i>subsidiary of DRB-HICOM Berhad which is listed on the Main Market of Bursa Securities</i>)	• Islamic banking business and related financial services	• Director (<i>Appointed on 10 November 2020</i>)
• Protecthealth Corporation Sdn Bhd	• To establish, operate, transact and/or manage all kinds of funds, assets and properties for the purpose of promoting every kind of medical and health financing mechanism including but not limited to medical and health insurance/takaful and/or auxiliary function(s) related to the business of the company, as the minister charged with the responsibility for health in Malaysia determines, in the effort to improve the health and the financial risk protection of the community in Malaysia and to contribute to the sustainability of the Malaysian health system	• Director (<i>Appointed on 11 September 2019</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Rashid Hussain Berhad (<i>winding up</i>)	Investment holding⁽¹⁾	Director (<i>Appointed on 15 December 2004</i>)
Past directorships		
Al Rajhi Banking & Investment Corporation (Malaysia) Bhd	Licensed Islamic Bank	Director (<i>Appointed on 10 November 2017 and resigned on 9 November 2020</i>)
Nomura Asset Management Malaysia Sdn Bhd	Provision of fund management, investment management and related services	Director (<i>Appointed on 1 November 2014 and resigned on 31 October 2023</i>)
Nomura Islamic Asset Management Sdn Bhd	Provision of Islamic fund management, investment management and related services	Director (<i>Appointed on 1 November 2014 and resigned on 31 October 2023</i>)

Note:

(1) There are no investment plans for this company as it is in the process of winding up.

(v) Aznita binti Abdul Aziz

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorship and other involvement in principal business activities outside our Group		
Steel Hawk Berhad (<i>listed on the Ace Market of Bursa Securities</i>)	Investment holding with subsidiaries primarily involved in the provision of onshore and offshore support services for the oil and gas industry.	Director (<i>Appointed on 1 November 2024</i>)
Past directorship		
Piva Capital Inc.	Venture capital	Director (<i>Appointed on 12 September 2019 and resigned on 30 December 2021</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(vi) Datuk Syed Hamadah Syed Othman

Name of company/ entity	Principal activities	Involvement in business activities
Present directorship and other involvement in principal business activities outside our Group		
• Actuarial Partners	• Actuarial consulting services to insurers, takaful operators and pension schemes	• Director (<i>Appointed on 25 January 2022</i>) and substantial shareholder (indirect)
• Private Pension Administrator Malaysia	• To carry on business as a private retirement scheme administrator pursuant to the CMSA; to undertake financial education, general promotion and awareness campaign and function as a resource centre for the private retirement scheme industry	• Director (<i>Appointed on 15 March 2022</i>)
• Yayasan Tabung Haji (<i>striking off</i>)	• To provide humanitarian aid to save lives, alleviate suffering and maintain human dignity; to uplift standard of general education by undertaking funding, maintaining and granting of educational scholarship to Malaysians; to promote and undertake research in Islamic scholarship, Islamic banking, medical and other branches of Syariah law	• Director (<i>Appointed on 7 August 2023</i>)
Past directorship		
• Bank Islam Malaysia Berhad (<i>listed on the Main Market of Bursa Securities</i>)	• Islamic banking business and the provision of related services	• Director (<i>Appointed on 1 January 2024 and resigned on 5 May 2025</i>)
• Edotco Group Sdn Bhd (<i>a subsidiary of the Axiata Group Berhad which is listed on the Main Market of Bursa Securities</i>)	• Investment holding and provision of technical and operation support services in the telecommunications and related industries in local and international markets	• Director (<i>Appointed on 5 April 2019 and resigned on 1 November 2020</i>)
• Syarikat Takaful Malaysia Keluarga Berhad (<i>listed on Main Market of Bursa Securities</i>)	• General takaful business and family takaful business	• Director (<i>Appointed on 1 June 2024 and resigned on 7 May 2025</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
TH Plantations Bhd <i>(listed on Main Market of Bursa Securities)</i>	Investment holding with investments in cultivation of oil palm, processing of FFB, marketing of crude palm oil, palm kernel and FFB; letting of investment property and potential biogas plant project investment and collaboration	Director <i>(Appointed on 5 September 2023 and resigned on 5 May 2025)</i>
TH Properties Sdn Bhd	Investment holding principally involved in integrated property development, construction management, asset and facility management	Director <i>(Appointed on 4 September 2023 and resigned on 24 July 2024)</i>

The involvement of our Directors as disclosed above excludes shares in public listed companies held by our Directors as minority shareholders (less than 5.0% of the total number of issued shares of a public listed company) and in which they do not hold any directorship, and is only for trading and personal investment purposes.

The involvement of our Directors mentioned above in other principal business activities outside of our Group will not affect their commitment and responsibilities to our Group in their respective roles as our Directors as:

- (i) TSCK and Datuk Syed Hamadah Syed Othman are of the view that although they are involved in other businesses as set out above, they are able to devote sufficient time and attention to the affairs of our Group to carry out their duties and they are not involved in the day-to-day operations of our Group; and
- (ii) Sharifah Sofia binti Syed Mokhtar Shah, Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican, Johari bin Abdul Muid and Aznita binti Abdul Aziz are of the view that their involvement in other businesses or corporations do not preclude them from allocating or committing their time and effort to our Group as they are able to devote sufficient time and attention to the affairs of our Group to carry out their respective duties. They are not involved in the day-to-day operations of our Group and these businesses, other than attending meetings of the boards of directors on which they serve.

9.2.4 Service contracts with our Directors

As at the date of this Prospectus, there are no existing or proposed service contracts between our Directors and us which provide for benefits upon termination of employment.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)***9.2.5 Remuneration and material benefits in-kind of our Directors**

The remuneration and material benefits in-kind (including any contingent or deferred remuneration) paid or proposed to be paid to our Directors for services rendered to us in all capacities to our Group for the FYE 31 December 2024 and FYE 31 December 2025 are as follows:

FYE 31 December 2024 (Actual)	Salary	Fees	Bonus	Statutory contributions	Allowances	Benefits-in-kind	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
TSCK	-	62	-	-	107.1	0.5	-	169.5
Sharifah Sofia binti Syed Mokhtar Shah ⁽¹⁾	-	-	-	-	-	-	-	-
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican ⁽¹⁾	-	-	-	-	-	-	-	-
Johari bin Abdul Muid ⁽¹⁾	-	-	-	-	-	-	-	-
Aznita binti Abdul Aziz ⁽²⁾	-	-	-	-	-	-	-	-
Datuk Syed Hamadah Syed Othman	-	-	-	-	-	-	-	-
FYE 31 December 2025 (Proposed)	Salary	Fees	Bonus	Statutory contributions	Allowances	Benefits-in-kind	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
TSCK	-	74.5	-	-	106.6	0.3	-	181.3
Sharifah Sofia binti Syed Mokhtar Shah ⁽¹⁾	-	24.9	-	-	-	-	-	24.9
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican ⁽¹⁾	-	24.9	-	-	-	-	-	24.9
Johari bin Abdul Muid ⁽¹⁾	-	24.9	-	-	-	-	-	24.9
Aznita binti Abdul Aziz ⁽²⁾	-	23.6	-	-	-	-	-	23.6
Datuk Syed Hamadah Syed Othman ⁽²⁾	-	23.6	-	-	-	-	-	23.6

Notes:

(1) Appointed on 22 April 2025.

(2) Appointed after the LPD.

The remuneration of our Directors, which includes Directors' fees, bonus and such other allowances as well as other benefits, must be considered and recommended by the Nomination and Remuneration Committee and subsequently approved by our Board. Our Directors' fees must be further approved/endorsed by our shareholders at a general meeting.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.6 Audit Committee

Our Audit Committee was established by our Board on 9 June 2025. Our Audit Committee currently comprises the following members, all of whom are Independent Non-Executive Directors:

Name	Designation	Directorship
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Chairman	Independent Non-Executive Director
Johari bin Abdul Muid	Member	Independent Non-Executive Director
Datuk Syed Hamadah Syed Othman	Member	Independent Non-Executive Director

Our Audit Committee undertakes, among others, the following functions:

(i) External auditors

- (a) Consider the appointment and re-appointment of external auditors and their audit fees by reviewing the following:
 - the adequacy of the experience and resources of the accounting firm;
 - the appropriateness of audit fees to support a quality audit;
 - the persons assigned to the audit;
 - the accounting firm's audit engagements;
 - the size and complexity of our Company and the operating companies being audited; and
 - the number and experience of supervisory and professional staff assigned to the particular audit;
- (b) Review the external auditors' audit plan, their independence, their evaluation of internal control systems, their audit report and assistance given to the external auditor by our Company;
- (c) Review the annual performance assessment, including the suitability, objectivity and independence of the external auditors and recommend the appointment, re-appointment or removal of external auditors and their fees to our Board;
- (d) Review the resignation or removal of the external auditor and ensure that the Exchange / Registrar of Companies is informed in writing of the representations or explanations of the resignation/removal; and
- (e) Ensure the external auditor reviews the statement about the state of our internal control as a group.

(ii) Review of quarterly results and financial statement

- (a) Review quarterly results and year-end financial statements before submitting them to our Board, focusing particularly on the following:
 - changes in or implementation of major accounting policy changes;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- significant matters highlighted, including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are addressed; and
- compliance with accounting standards and other legal requirements.

(iii) Internal auditors

- (a) Establish an internal audit function independent of the activities it audits and reports directly to our Audit Committee;
- (b) Ensure the Head, Group Internal Audit of MMC Corp has unrestricted access to and communicates and interacts directly with our Audit Committee, including in private meetings without senior management present;
- (c) Participate in discussions with the Head, Group Internal Audit of MMC Corp and senior management about the “essential conditions”, described in the Global Internal Audit Standards, which establish the foundation for an effective internal audit function;
- (d) Review the adequacy of the internal audit function's scope, functions, competency and resources, and that it has the necessary authority to carry out its role and responsibilities and is able to function independently;
- (e) Engage in discussions with the Head, Group Internal Audit of MMC Corp and senior management to identify and incorporate additional relevant topics for inclusion in the internal audit charter;
- (f) Ensure that the Group Internal Audit of MMC Corp establishes a Group Internal Audit Charter that clearly defines:
 - the authority, independence, and objectivity of the Group Internal Audit of MMC Corp;
 - the roles and responsibilities of the Group Internal Audit of MMC Corp, including assurance and advisory services;
 - the scope of internal audit activities, ensuring comprehensive coverage of governance, risk management, and internal control processes; and
 - the reporting lines and access to our Audit Committee to safeguard the Group Internal Audit of MMC Corp's independence;
- (g) Recommend the internal audit charter to our Board for approval, which includes the internal audit mandate and the scope and types of internal audit services;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (h) Periodically review the internal audit charter with the Head, Group Internal Audit of MMC Corp to consider changes affecting the organisation, such as the appointment of a new Head, Group Internal Audit or changes in the type, severity, and interdependencies of risks to the organisation. Additionally, ensure the internal audit charter is reviewed and approved periodically (at least annually) to remain relevant and aligned with best practices;
 - (i) Review with the internal auditors the effectiveness of our Group's internal control systems, including financial, operational, compliance and information technology security and control;
 - (j) Ensure the appointment, remuneration, termination and performance appraisal of the Head, Group Internal Audit of MMC Corp; and the internal audit function's human resources administration and budgets are reviewed and approved by MMC Corp's audit committee;
 - (k) Collaborate with senior management to determine the qualifications and competencies the organisation expects in a Head, Group Internal Audit of MMC Corp, as described in the Global Internal Audit Standards;
 - (l) Review and approve a risk-based Annual Internal Audit Plan, ensuring alignment with the organisation's strategic objectives, key risks, and emerging threats. Ensure that the internal audit plan is developed using a structured risk assessment process and is responsive to changes in the organisation's risk landscape;
 - (m) Ensure a Quality Assurance and Improvement Program (QAIP) has been established by the Group Internal Audit of MMC Corp for the internal audit function, in accordance with the Global Internal Audit Standards;
 - (n) Review the results of the internal and external quality assessments of the internal audit function at least annually, and oversee corrective actions taken in response to quality assessment findings and recommendations;
 - (o) Review the results of internal audit assessments and the investigation undertaken, and determine whether appropriate action is taken on the recommendations;
 - (p) Obtain results on assurance engagements by an independent party for whistleblowing-related functions over which the Head, Group Internal Audit of MMC Corp has responsibility as a safeguard to limit impairments to independence or objectivity.
- (iv) Others**
- (a) Review related party transactions and conflicts of interest situations that arise within our Company and our Group, including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate or mitigate such conflicts;
 - (b) Ensure that our Group has adequate procedures and processes in place to evaluate, approve, monitor, track and report related party transactions and to review the adequacy of these processes;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (c) Review whistleblowing reports and ensure appropriate actions are taken to address reports on improper conduct;
- (d) Review the yearly Audit Committee Report for incorporation into the Integrated Annual Report and recommend it to our Board for approval;
- (e) Review procedures in place to ensure that our Group is in compliance with all relevant acts, Listing Requirements, and other legislative and regulatory requirements;
- (f) Review the compliance framework, the plan and the scope of work of the compliance function;
- (g) Monitor the overall compliance with our Group's internal policies, statutory and regulatory requirements; and
- (h) Carry out any other function mutually agreed upon by our Audit Committee and our Board.

9.2.7 Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was established by our Board on 9 June 2025. Our Nomination and Remuneration Committee currently comprises the following members, all of whom are Independent Non-Executive Directors:

Name	Designation	Directorship
Johari bin Abdul Muid	Chairman	Independent Non-Executive Director
Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican	Member	Independent Non-Executive Director
Aznita binti Abdul Aziz	Member	Independent Non-Executive Director

Our Nomination and Remuneration Committee undertakes, among others, the following functions:

(i) The nomination functions

- (a) Consider and recommend to our Board suitable candidates for appointment as Board members of our Company based on the criteria in the Board's Fit and Proper Policy, our Board committees, subsidiaries and associate companies. In making its recommendations, our Nomination and Remuneration Committee will consider, among others, the following criteria:
 - Skills, qualifications, knowledge, expertise and experience;
 - Professionalism;
 - Integrity;
 - In the case of candidates for the position of independent non-executive directors, our Nomination and Remuneration Committee will evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors; and
 - Our Board's diversity in terms of skills, experience, age, gender and culture.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (b) Annually review the structure, size, diversity and composition of our Board and our Board committees, including the required mix of skills, knowledge, experience, diversity and other qualities of our Board members, including core competencies which non-executive directors should bring to our Board to ensure compliance with Listing Requirements and our Group's requirements, and recommend to our Board its proposal;
- (c) Annually assess the effectiveness and performance of our Board as a whole, our Board committees and the contribution of each individual director, including the time commitment required from the directors, the independence of each independent director and the tenure of each non-executive director. All assessments and evaluations carried out by our Nomination and Remuneration Committee in the discharge of all its functions should be properly documented;
- (d) Review the feedback arising from the assessment of our Board and our Board committees and recommend to our Board action plans for improvement on areas identified in the Board assessment, where applicable;
- (e) Consider and recommend to our Board a policy regarding the period of service of the executive and non-executive directors of our Company, our subsidiaries and associate companies;
- (f) Mandate the Chairman of our Board, based on the recommendation of the Chief Executive Officer, to finalise and propose nominee directors of our Company to the respective boards of subsidiaries, joint ventures and associate companies;
- (g) Recommend to our Board the appointment, renewal of contract service or termination of the Chief Executive Officer of our Company;
- (h) Review and recommend to our Board the succession plan of our Board;
- (i) Review the succession planning and talent management of our Group;
- (j) Recommend to our Board the removal of a director if the director concerned is ineffective, errant and negligent in discharging his/her duties;
- (k) Review annually the status of independence of all the independent directors;
- (l) Review the tenure of each director of our Company and recommend to our Board those directors retiring by rotation for re-election in accordance with our Constitution, based on satisfactory evaluations of their performance, contributions and independence. The review will also consider any terminations of membership in our Board committees for cause or other appropriate reasons. In reviewing the tenure of each director, our Nomination and Remuneration Committee takes cognisance of our Board's policy on the procedures for retaining independent directors whose tenure with our Company exceeds the cumulative term of nine years;
- (m) Conduct a thorough review to determine whether a director can continue to be independent in character and judgement while also considering the need for progressive refreshing of our Board;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (n) Evaluate and determine on a continuous basis the training needs of the directors;
- (o) Facilitate Director's induction and training programs;
- (p) Review the Corporate Balanced Scorecard and key performance indicators of our Company, which include sustainability-related key performance indicators set; and
- (q) Carry out such other assignments as may be delegated by our Board.

(ii) The remuneration functions

- (a) Review and recommend to our Board the general remuneration policy of our Board, our Board committees and our Group, taking into account the demands, complexities and performance of our Group in managing material sustainability risks and opportunities, along with the following considerations:
 - Skills, knowledge, expertise, experience and technical competency;
 - Qualification and professionalism;
 - Integrity;
 - Roles and responsibilities; and
 - The business and risk strategies and long-term objectives of our Group;
- (b) Recommend to our Board the remuneration package of the non-executive directors for recommendation to the shareholders of our Company for approval;
- (c) Recommend to our Board the remuneration package of the Chief Executive Officer and key management of our Company. Senior Management would comprise executives of our Company at the rank of "General Managers" and above;
- (d) Review the performance of our Chief Executive Officer of our Group against his pre-determined performance targets;
- (e) Recommend the appointment and promotion of the key management of our Company;
- (f) Recommend to our Board the compensation commitments/severance payments to the Chief Executive Officer of our Company in the event of early termination of the employment service contract;
- (g) Review and recommend to our Board the provisions for annual salary increments, performance bonuses and market adjustments (if any) for our Group for each financial year;
- (h) Review the disclosure of our Board's remuneration in our Company's annual report pursuant to the requirements of the Listing Requirements; and
- (i) Carry out such other assignments as may be delegated by our Board.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.8 Financial, Investment and Risk Committee

Our Financial, Investment and Risk Committee was established by our Board on 9 June 2025. Our Financial, Investment and Risk Committee currently comprises the following members, of which at least three members are Independent Non-Executive Directors:

Name	Designation	Directorship
Aznita binti Abdul Aziz	Chairman	Independent Non-Executive Director
Sharifah Sofia binti Syed Mokhtar Shah	Member	Non-Independent Non-Executive Director
Johari bin Abdul Muid	Member	Independent Non-Executive Director
Datuk Syed Hamadah Syed Othman	Member	Independent Non-Executive Director

Our Financial, Investment and Risk Committee undertakes, among others, the following functions:

(i) The finance and investment functions

- (a) Review, monitor and recommend to our Board the financial plans, operational and capital budgets, annual and supplementary budgets, as well as our Company's financial performance;
- (b) Evaluate information relating to our Group's investable assets, investment policies, strategies, objectives and activities;
- (c) Monitor and review investments in subsidiaries and associate companies;
- (d) Evaluate and deliberate on any corporate proposals, including new investment, divestment or mergers and acquisitions, excluding project tenders or bids conducted in the ordinary course of business with a value of RM50.0 million and above. Subject to no further comments from our Financial, Investment and Risk Committee, the relevant approval may then be sought in accordance with the respective company's limits of authority; and
- (e) Provide input to our Board on the valuation of proposed investments or divestments, taking into consideration compliance with the investment policy, risk management analysis, due diligence findings and written reports from external advisers, where applicable.

(ii) The risk functions

- (a) Review processes for determining and communicating our Company's risk appetite;
- (b) Oversee the establishment and implementation of our Company's risk management, reviewing its effectiveness annually;
- (c) Review the risk management framework and policies, and to recommend to our Board for adoption by our Company. The framework shall be continuously monitored and updated to reflect current risk exposures and maintain operational relevance;

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (d) Review our management's processes for identifying, analysing, evaluating and treating risks, ensuring clear communication of these risks across the operating companies;
- (e) Review periodic report on our Company's risk management and deliberate on key risk issues highlighted by our Risk Management Committee;
- (f) Report to our Board on the key risks and associated action plans for mitigation; and
- (g) Carry out any other assignments as delegated by our Board.

(iii) Sustainability matters

- (a) Review the effectiveness of our Company's strategies, policies, procedures, principles and practices related to economic, environmental and societal sustainability;
- (b) Provide recommendations to our Board on the adoption of sustainability-related policies and monitor the implementation of these policies;
- (c) Review issues arising from independent audits and assurance reports, as well as any matters raised by the consultants;
- (d) Ensure that processes are in place to comply with all relevant laws, regulations and rules impacting our Company's sustainability practices; and
- (e) Review our Group's sustainability statement for inclusion in the annual report or other public disclosures, and recommend it to our Board for approval, ensuring effective communication of our Group's sustainability initiatives and performance to investors and stakeholders.

(iv) Integrity matters

- (a) Review the effectiveness and adequacy of the anti-bribery and anti-corruption policy and its implementation throughout our Company;
- (b) Establish, maintain and periodically review our Company's anti-bribery and anti-corruption program, including clear policies and objectives that effectively address bribery and corruption risks;
- (c) Ensure adequate resources are allocated to effectively manage our Company's anti-bribery and anti-corruption initiatives, including awareness and training programs for relevant stakeholders;
- (d) Periodically report to our Board on the status of the anti-bribery and anti-corruption program, highlighting any key issues or developments; and
- (e) Designate qualified personnel or departments to conduct internal audits on the implementation of the anti-bribery and anti-corruption policy and framework, identify and report any significant findings or gaps, and ensure that appropriate corrective actions are promptly undertaken in response to audit recommendations.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.3 KEY SENIOR MANAGEMENT

Our key senior management is responsible for the day-to-day management and operations of our Group. The members of our key senior management as at the LPD are as follows:

Name	Age ⁽¹⁾	Designation
Dato' Azman Shah bin Mohd Yusof	55 years	Chief Executive Officer
Neo Li Ping	39 years	Chief Financial Officer
Mark William Hardiman	51 years	Chief Executive Officer of PTPSB
Md Derick bin Basir	54 years	Chief Executive Officer of JPB
Nik Muzani bin Nik Abdul Aziz ⁽²⁾	50 years	Acting Chief Executive Officer of NMB
Dato' Sasedharan A/L Vasudevan	55 years	Chief Executive Officer of PPSB
Khairul Anuar bin Othman	42 years	Head of Company of TBPSB

Notes:

(1) The age of the respective key senior management is as at the LPD.

(2) Nik Muzani bin Nik Abdul Aziz was appointed post LPD, on 15 August 2025.

9.3.1 Profiles of our key senior management

(i) Dato' Azman Shah bin Mohd Yusof

Dato' Azman Shah bin Mohd Yusof, a Malaysian aged 55, is our Chief Executive Officer. He has approximately 15 years of experience in port operations, including at the chief executive level.

He graduated from the London School of Economics and Political Science, University of London, United Kingdom with a Bachelor of Science (Economics) in 1992. Subsequently in 1996, he completed a program in Macroeconomic Policy and Management from Harvard University, United States of America.

He started his career as an Administration Officer at Bank Negara Malaysia in 1992. In 1995, he was promoted to Senior Economist and he remained with Bank Negara Malaysia until 1997. Following his departure from Bank Negara Malaysia, he joined Socgen-Crosby Research (Malaysia) Sdn Bhd as an Associate Analyst from 1997 to 1998.

In 1998, he joined Pengurusan Danaharta Nasional Berhad as an Executive in Research Unit, Corporate Services Division, before being reassigned to the Managing Director's Office. In 2001, he was transferred to the Chairman's Office as the Special Assistant to the Chairman and left Pengurusan Danaharta Nasional Berhad in the same year. Through his roles in research, investment analysis and corporate services, he gained invaluable insights into corporate strategy, management and operations, honing his leadership capabilities and strategic decision-making skills, experiences that have shaped his current role as our Chief Executive Officer.

Upon leaving Pengurusan Danaharta Nasional Berhad in 2001, he set up a consultancy company, Haz-iq Capital Sdn Bhd, where he remained with the company until 2009. The company provides, among others, assistance to corporate customers in the property development, hotel management, information technology and real estate investment trusts in terms of turnaround management and business strategy.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

He joined Max-Airplay Sdn Bhd as its Chief Operating Officer in 2005. The company was a start-up involved in advertising and radio broadcast management. He was responsible for overseeing the business development activities of the company, including obtaining the licence to operate a terrestrial radio station, and subsequently, the management of daily operations of the company. He left Max-Airplay Sdn Bhd in 2006 and continued with his consultancy business with Haz-iq Capital Sdn Bhd until 2009.

In 2010, he joined Bolton Berhad (*now known as Symphony Life Berhad*), a public company listed on the Main Market of Bursa Securities, as the Head of Corporate Services, where he was tasked with overseeing the corporate governance framework, managing internal policies and ensuring the efficient administration of the company's operations. He also led the development and implementation of corporate strategies, managed key relationships and supported the board in decision-making processes. Later that year, he was transferred to the position of Head of Marketing and Corporate Services within the same company, a role he held until 2012. In this expanded role, he was responsible for both the strategic direction of marketing efforts and the corporate services division, overseeing brand management, market positioning and customer engagement, while ensuring the alignment of these initiatives with the company's broader corporate strategy.

In 2012, he was appointed as the Executive Director of Integrax Berhad, a public company which was then listed on the Main Market of Bursa Securities. In this capacity, he was responsible for overseeing the strategic direction and corporate governance of the company, driving key initiatives to enhance operational performance and shareholder value. He also played a vital role in business development, fostering relationships with key stakeholders, and identifying new growth opportunities to support the company's long-term objectives. He left Integrax Berhad in 2015 upon the completion of the takeover of Integrax Berhad by Tenaga Nasional Berhad.

In 2015, he joined our Company as the Executive Director and was subsequently seconded to NMB. He was later appointed as the Chief Executive Officer of NMB in 2016. In this role, he took on a broader leadership responsibility, contributing to the formulation of corporate strategies, overseeing day-to-day operations and ensuring the alignment of the company's business objectives with its long-term vision. He was instrumental in driving NMB's strategic initiatives and leading the management team in decision-making processes to optimise the company's growth and operational efficiency. During his tenure as Chief Executive Officer, NMB recorded historical highs in container volumes (2021, 2024) and conventional cargo volumes (2022, 2023, 2024), and won several awards and accolades in occupational safety and health at the national and international level.

He was appointed as our Chief Executive Officer on 1 December 2024, where he is responsible for overseeing the day-to-day operations and ensuring the alignment of our Group's business objectives with its long-term vision. He is instrumental in driving our Group's strategic initiatives, and guiding and supporting the executive team of the operational companies in decision-making processes to optimise our Group's growth and operational efficiency.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(ii) Neo Li Ping

Neo Li Ping, a Malaysian aged 39, is our Chief Financial Officer. She has over 18 years of experience in auditing and accounting and finance of which over nine years was in service of the MMC Corp Group.

She graduated from Oxford Brookes University with a Bachelor of Arts (Honours) in Accounting and Finance in 2006. Additionally, she was admitted as an Associate member of the ICAEW in 2010 and as a Fellow of the ICAEW in 2020.

She began her career as an audit assistant with KPMG PLT in 2006 and was later promoted to audit manager, managing a portfolio of 20 companies, which honed her skills in financial reporting and compliance. After leaving KPMG PLT in 2013, she briefly worked at Tune Ins Holdings Berhad (*now known as Tune Protect Group Berhad*) as Finance Manager from April 2013 to June 2013 and then at Petra Energy Berhad, a company listed on the Main Market of Bursa Securities, as Finance Manager from September 2013 to June 2015. At Petra Energy Berhad, she focused on financial and tax reporting and was responsible for preparing consolidated monthly and quarterly group accounts and quarterly reporting announcements. In June 2015, she joined AEON Credit Service (M) Berhad as Senior Manager of the Finance Group, overseeing financial and management reporting, tax compliance and budgeting, until her departure in 2016.

In January 2016, she joined MMC Corp as Senior Manager, Finance Reporting and was subsequently promoted to Assistant General Manager, Finance Reporting in January 2019 and then to General Manager, Finance in January 2021. During her tenure at MMC Corp, she oversaw financial activities, prepared consolidated financial reports and quarterly results (before MMC Corp's delisting), managed budgeting and forecasting, ensured compliance with accounting standards, and performed financial analysis to support decision-making for the MMC Corp Group, including our Group.

She was appointed as our Chief Financial Officer on 1 December 2024, and with her extensive experience at MMC Corp, she is well-equipped to oversee our Group's statutory reporting, budgeting and forecasting, ensure compliance with accounting standards and oversee other accounting functions.

(iii) Mark William Hardiman

Mark William Hardiman, a Dutch citizen aged 51, is our Chief Executive Officer of PTPSB. He has over 29 years of experience in port operations.

He graduated from Technikon Natal (*now known as Durban University of Technology*) with a National Diploma in Maritime Studies in 1997 and subsequently obtained a certificate and Diploma in Terminal Management, Lloyd's Maritime Academy from National Sea Training Centre, North West Kent College in 2002.

He began his career as a trainee at Mediterranean Shipping Company in 1995 to fulfil the work experience requirement of his course. In 1997, he joined Maersk South Africa (Pty) Ltd as an Operations Assistant, where he was tasked with coordinating Maersk's line vessel operations in cargo handling and vessel husbandry at the Port of Durban, South Africa. He was transferred to Port Elizabeth in 1998, where he was responsible for its vessel and port operations until 2000. Between 2000 and 2002, he returned to the Port of Durban under the employment of Safmarine, a subsidiary of A.P.Moller – Maersk A/S, to head the transshipment department. He was promoted to Assistant Operations

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Manager of Safmarine where he was additionally responsible for the day-to-day management of the vessel and port operations as well as handling third party carrier dealings.

Between 2002 and 2004, he served as Operations Manager at the West Africa Container Terminal at Onne, Nigeria of APM Terminals B.V., where he was responsible for its overall operations. He was transferred to APM Terminals B.V.'s Suez Canal Container Terminal at Port Said, Egypt as a Training Support Manager prior to the commencement of their operations and thereafter as Shift Manager from 2004 to 2005. As Training Support Manager, he oversaw the recruitment and training process, assisted in setting up the operating system and standard operating procedures, and was responsible for overseeing all operational aspects of the terminal during his designated shift as Shift Manager. He took on the same roles at APM Terminals Zeebrugge N.V.'s container terminal at Zeebrugge, Belgium from 2006 to 2008.

Between 2008 and 2009, he served as Operations General Manager for the Africa region under APMT AMI regional office in Cape Town, South Africa, and subsequently for the Africa, Middle East and India regions under APMT AMI's regional office in Dubai from 2009 to 2012. During this period, his responsibilities include, among others, providing strategic oversight and support for operational performance across regional facilities, ensuring alignment with global best practices, organisational objectives and compliance with procurement policies. He was subsequently appointed as the Chief Operations Officer at APM Terminals Bahrain B.S.C., the operator of the Khalifa Bin Salman Port, Bahrain, in 2012, where he oversaw all port operations, enhanced port efficiency and was responsible for various other operational departments. Thereafter, he was promoted to Managing Director in 2015, where he had the added responsibility of overseeing its entire business unit, until his departure in 2019.

In 2019, he served as the Chief Executive Officer of Salalah Port Services Company (S.A.O.G.), the operator of the Port of Salalah, Oman, where he led the operational management of the Port of Salalah. In this role, his leadership focused on enhancing the port's service offerings to strengthen its competitive position in the region, while maintaining clear accountability for financial performance. He left the company at the end of January 2023 and took a one-year career break.

With Mark's extensive experience in terminal management and port operations, he was appointed Chief Executive Officer of PTPSB in January 2024. In this role, he oversees the operations of PTP and drives its strategic direction, with a focus on driving profitability and enhancing returns for shareholders. This includes enhancing operational efficiency, optimising port capacity to drive growth, expanding market share and adopting sustainable practices aligned with global industry standards for PTP.

He currently sits on the board of directors of PTIS and PTES.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

(iv) Md Derick bin Basir

Md Derick bin Basir, a Malaysian aged 54, is our Chief Executive Officer of JPB. He has over 19 years of experience across the port, logistics and aviation industries, including roles in strategic leadership and operational management. He graduated from Staffordshire University, United Kingdom with a Bachelor of Laws in 1994.

He began his career in 1994 at Konsortium Jaya Sdn Bhd (*now known as* Theta Technologies Sdn Bhd), a subsidiary of Lityan Holdings Berhad (*now known as* Theta Edge Berhad), an information and communication technology service provider listed on the Main Market of Bursa Securities. He served as an account manager in the sales and client servicing team until 1997.

From 1998 to 2000, he joined HMO Pacific (1998) Sdn Bhd (*now known as* PM Care Sdn Bhd) as Customer Service & Client Account Manager. In this role, he managed customer relations, addressed operational issues and ensured service delivery excellence, while also nurturing long-term relationships with key clients.

In 2000, he embarked on an entrepreneurial journey with Putra Pack Movers Sdn Bhd, a company specialising in relocation, transportation and packing services. As its director, he led the company's business development, sales and marketing functions until May 2006.

In June 2006, he joined PTPSB as Manager of Corporate Communication. He was tasked with enhancing the company's brand visibility, internal communications and stakeholder engagement. He rose through the ranks to become Senior Manager of Corporate Communications and Free Zone Property in 2010, and subsequently General Manager in 2011, overseeing both the Corporate Communication and Free Zone Property departments. As General Manager, he was responsible for strategic planning, tenant management, and investor relations for the PTP Free Zone.

In February 2012, he was transferred to JPB as Senior General Manager of the Corporate Services Division. In this role, he oversaw six departments including facilities management, information and communication technology, procurement, corporate communications, port security and safety, and legal and administration.

He was subsequently transferred to PPSB in January 2015 as Senior General Manager of Support Services, where he led various support functions including human resources, port police, fire and rescue, administration, corporate communications and property.

In November 2015, he was appointed Chief Executive Officer of Senai Airport Terminal Services Sdn Bhd, a subsidiary of MMC Corp. There, he provided strategic direction and operational leadership for Senai International Airport. His responsibilities included overseeing airport operations, regulatory compliance, and the development of commercial and retail businesses within the airport.

He rejoined JPB in June 2020 as its Chief Executive Officer. In his current role, he is responsible for steering the overall strategic direction and operations of JPB. His leadership focuses on enhancing operational efficiency, driving sustainable growth, expanding market reach, and ensuring financial resilience, all in alignment with JPB's long-term vision and mission.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(v) Nik Muzani bin Nik Abdul Aziz

Nik Muzani bin Nik Abdul Aziz, a Malaysian aged 50, is our Acting Chief Executive Officer of NMB. He has over eight years of experience in logistics operations.

He graduated from the University of the West of England, Bristol, United Kingdom with a Bachelor of Laws in 2000.

He began his career as a Legal Executive in the Legal Department at MMC Corp in 2002 and thereafter being promoted to the role of Senior Executive in the same department in 2007. In 2008, he was seconded and promoted to MMC International Holdings Limited, a wholly-owned subsidiary of MMC Corp and his position was redesignated as a Manager of the Business Development Department, where he was part of the team of Jazan Economic City project, a development project for a planned economic city in the Jizan Province of Saudi Arabia, focusing on energy and manufacturing industries projects and its component. He was transferred to MMC Corp in 2010.

In 2012, he was promoted as a Senior Manager of the Business Development Department of MMC Corp until 2013 where he was managing various project ventures of MMC Corp with other organisations. In this role, he advanced risk management skills, demonstrated cross-functional leadership, and refined his communication skills, effectively equipping him for progressively senior leadership roles. In 2013, he was transferred to the Group Managing Director's Office where he was tasked to be the Special Officer to MMC Corp's Group Managing Director. As a Special Officer until 2016, he was entrusted with driving the execution of the Group Managing Director's strategic vision and overseeing the alignment and prioritisation of key initiatives to ensure organisational objectives were met.

From 2016 until 2018, he was seconded to Kontena Nasional (previously part of NCB Holdings) as the General Manager. In this role, he oversaw the Corporate Services Department of Kontena Nasional where he ensured compliance with regulatory standards, enhanced risk management frameworks, improved workplace safety culture and leveraged technology solutions to support business efficiency and growth. In 2018, he was promoted as the Head of Operations of Kontena Nasional. His roles and responsibilities include heading the haulage of containers, warehouse and provision of freight forwarding operations of Kontena Nasional, ensuring that Kontena Nasional's transportation and warehousing functions are run safely, efficiently, and profitably. In 2020, he was appointed as the Acting Chief Executive Officer of Kontena Nasional and thereafter in 2021 as the Chief Executive Officer of Kontena Nasional. He was responsible for steering Kontena Nasional's strategic direction, driving growth and profitability, and ensuring the company's long-term sustainability within the logistics industry.

In 2025, he was appointed as the Acting Chief Executive Officer of NMB. He is primarily responsible for overseeing the overall operations of NMB and driving its strategic direction. His focus is on enhancing operational efficiency, spearheading key projects and optimising resources to ensure smooth business execution, while also expanding NMB's market presence, improving customer service and implementing sustainable practices in line with global industry standards.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(vi) Dato' Sasedharan A/L Vasudevan

Dato' Sasedharan A/L Vasudevan, a Malaysian aged 55, is our Chief Executive Officer of PPSB. He has approximately 35 years of experience in port operations, terminal management, and commercial strategy within the maritime and logistics industry.

He obtained a Diploma in Business Administration from The Association of Business Executives (ABE), United Kingdom, in 1999. He further obtained a Diploma in Terminal Management from Lloyd's Maritime Academy, The National Sea Training Centre, North West Kent College (*now known as North Kent College*), United Kingdom, in 2005.

He began his career as an audit executive at Coopers and Lybrand (*a predecessor firm of PricewaterhouseCoopers PLT*) in 1989 and joined Konsortium Perkapalan Berhad (*now known as Konsortium Logistik Berhad*) as Marketing Executive in 1991. He then left Konsortium Perkapalan Berhad in 1996 to join PTPSB as a Marketing Executive in 1997. Between 1997 and 2005, he served as a Marketing Executive and was subsequently promoted to General Manager of Terminal Operations. In these roles, he was responsible for promoting the services provided by the port, managing the liners' business, as well as overseeing the operational efficiency and strategic development of the terminal, including ensuring smooth terminal management and handling day-to-day operations.

In 2005, he left PTPSB and joined APM Terminals B.V., where he was appointed General Manager of Terminal Operations at Gateway Terminals India Pvt Ltd, India. In 2008, he left APM Terminals B.V. to join DP World as Operations Director of PT Terminal Petikemas in Surabaya, Indonesia, a collaboration partnership of DP World, a position he held until 2011. Between 2011 and 2013, he was transferred by DP World to Asian Terminals Incorporated in Manila, Philippines, part of the global port network of DP World, where he held the position as Vice President for Operations. During his tenure at APM Terminals B.V. and DP World, he was responsible for overseeing terminal operations, optimising productivity and ensuring operational excellence across multiple terminals. With relevant experiences, he rejoined PTPSB in 2014 as Head of Business Development and was later promoted to Chief Commercial Officer, a position he held until 2016, when he transferred to PPSB as Chief Operating Officer.

In 2018, he was appointed Chief Executive Officer of PPSB, leveraging his extensive past experience in port operations and terminal management. As Chief Executive Officer of PPSB, he is responsible for driving the company's strategic direction, overseeing operations, and ensuring alignment with business goals. He also manages resources, fosters relationships with key stakeholders, and plays a central role in decision-making to maintain PPSB's growth and competitiveness.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(vii) Khairul Anuar bin Othman

Khairul Anuar bin Othman, a Malaysian aged 42, is our Head of Company of TBPSB. He has 20 years of experience working in multinational corporations, government-linked companies and reputable conglomerates.

He graduated from Universiti Utara Malaysia, Malaysia with a Bachelor of Business Administration (Marketing) in 2005.

He started his career as a Senior Executive, Corporate Communications at PTPSB from 2005 until 2010, where he was responsible for managing internal and external communications, handling media relations, event management and supporting the company's communication strategies. In 2011, he joined Senai Airport Terminal Services Sdn Bhd as Manager, Corporate Communications, where he took on a broader role and was responsible for overseeing the company's communications strategy, public relations efforts, managing media relations, event management and stakeholder engagement including non-aero business development.

In 2013, he left Senai Airport Terminal Services Sdn Bhd and joined UEM Land Berhad as Senior Manager, Strategic Marketing, where he was responsible for developing and executing high-level marketing strategies to drive business growth, market positioning and brand awareness. After leaving UEM Land Berhad in 2016, he joined Putrajaya Holdings Sdn Bhd as Head, Sales & Marketing until 2018, where he was responsible for overseeing government, private and commercial housing development projects in Putrajaya.

He then joined MCT Berhad (*now known as Avaland Berhad*), a company listed on the Main Market of Bursa Securities, in 2018 as General Manager, Sales & Marketing and was responsible for residential and commercial housing development projects in Petaling Jaya, Subang Jaya and Cyberjaya, as well as in the Philippines. After leaving MCT Berhad in 2019, he joined Coronade Properties Sdn Bhd as Head, Sales & Marketing where he oversaw several residential and commercial development projects in Johor Bahru town centre. He left Coronade Properties Sdn Bhd in 2022 and took a career break before joining MK Land Holdings Berhad from January 2023 until July 2023 as Head Group, Marketing & Sales. In this role, he was responsible for overseeing the company's overall sales and marketing activities across various business segments, including residential, commercial, hotel, theme park and township development business under the group's flagship projects. Through his diverse roles and working exposures in various industries, particularly in sales, marketing and business development, he gained invaluable insights and is able to stay updated and keep abreast of emerging trends in technology, strategy and innovation across diversified industries.

He joined JPB in August 2023 as the Head of Company of TBPSB where he is responsible for overseeing the port operations and business deliveries of Tanjung Bruas Port, ensuring efficiency, optimising capacity, and leading strategic initiatives to improve service delivery whilst maintaining high standards of safety and compliance.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.3.2 Shareholding of our key senior management

The following table sets out the direct and indirect shareholding of each of our key senior management before and after our IPO:

Name	Before our IPO ⁽¹⁾				After our IPO							
					Assuming the Over-allotment Option is not exercised ⁽²⁾				Assuming the Over-allotment Option is fully exercised ⁽³⁾			
					Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Azman Shah bin Mohd Yusof	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Neo Li Ping	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Mark William Hardiman	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Md Derick bin Basir	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Nik Muzani bin Nik Abdul Aziz	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Dato' Sasedharan A/L Vasudevan	-	-	-	-	100,000	*	-	-	100,000	*	-	-
Khairul Anuar bin Othman	-	-	-	-	100,000	*	-	-	100,000	*	-	-

Notes:

* *Negligible*

(1) *Based on our issued Shares of 14,240,000,000 Shares after the Subdivision.*

(2) *Based on our issued Shares of 14,240,000,000 Shares upon our Listing and assuming full subscription of the Offer Shares allocated to our employees under the allocation for the Eligible Persons in respect of the Retail Offering.*

(3) *Assuming an Over-allotment Option of 640,800,000 Shares, representing 15.0% of the total number of the Offer Shares offered, is fully exercised.*

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.3.3 Principal business activities performed by our key senior management outside our Group in the past five years

Save as disclosed below, none of our key senior management are involved in principal business activities outside our Group as at the LPD or hold directorships in other companies outside our Group, at present and in the past five years preceding the LPD.

(i) Dato' Azman Shah bin Mohd Yusof

Name of company/ entity	Principal activities	Involvement in business activities
Present directorships and other involvement in principal business activities outside our Group		
• Eastern Polar Sdn Bhd	• General trading investment holding	• Director (<i>Appointed on 15 October 2002</i>) and substantial shareholder (direct)
• GP Ocean Food Sdn Bhd (<i>winding up</i>)	• Investment holding with the group operating as an integrated seafood producer	• Shareholder (direct)
• Insynchro (M) Sdn Bhd	• Engaged in the business of developing and selling web-based solutions, providing professional consultancy services and professional services in computer software and customisation and systems integration	• Shareholder (direct)
• Malaysian International Chamber of Commerce & Industry	• Activities of business and employers membership organisations; forwarding of freight; courier activities other than national post activities	• Director (<i>Appointed on 23 August 2022</i>)
Past directorships		
• Esper Capital Sdn Bhd	• Activities of holding companies, construction of buildings N.E.C.	• Director (<i>Appointed on 28 July 2022 and resigned on 15 April 2025</i>)
• Esper Logistics Sdn Bhd	• Consultancy and general engineering services and investment holding	• Director (<i>Appointed on 14 November 2023 and resigned on 28 April 2025</i>)
• Haz-iq Capital Sdn Bhd	• Investment holding company and the provision of financial consultancy and corporate advisory services	• Director (<i>Appointed on 2 April 2002 and resigned on 7 December 2023</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
• Nejagreen Sdn Bhd	• Engaged in investment holding company and the provision of financial consultancy and corporate advisory services	• Director (<i>Appointed on 26 March 2003 and resigned on 7 January 2021</i>)
• Seaport (Carey) Sdn Bhd	• Activities of holding companies for a special purpose vehicle for port proposal	• Director (<i>Appointed on 27 May 2021 and resigned on 15 April 2025</i>) ⁽¹⁾
• Seaport (Carey) Holdings Sdn Bhd	• Activities of holding companies for a special purpose vehicle for port proposal	• Director (<i>Appointed on 25 August 2021 and resigned on 15 April 2025</i>)
• Seaport Northgate Sdn Bhd	• Activities of holding companies for a special purpose vehicle for port proposal	• Director (<i>Appointed on 25 August 2021 and resigned on 15 April 2025</i>) ⁽²⁾
• Seaport Northgate Holdings Sdn Bhd	• Activities of holding companies for a special purpose vehicle for port proposal	• Director (<i>Appointed on 25 August 2021 and resigned on 15 April 2025</i>)

Notes:

(1) *Dato' Azman Shah bin Mohd Yusof is no longer a shareholder of this company post LPD.*

(2) *The share transfer is pending stamp duty assessment by the Inland Revenue Board. Upon completion, Dato' Azman Shah bin Mohd Yusof will no longer be a shareholder of this company.*

(ii) Neo Li Ping

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Past directorships		
• Dana Vision Sdn Bhd*	• Dormant	• Director (<i>Appointed on 30 June 2020 and resigned on 16 April 2025</i>)
• Kontena Nasional*	• Haulage of containers, warehousing and provision of freight forwarding services	• Director (<i>Appointed on 1 December 2024 and resigned on 10 February 2025</i>)
• MMC Frigstad Offshore Sdn Bhd*	• Dormant	• Director (<i>Appointed on 30 June 2020 and resigned on 16 April 2025</i>)
• MMC Project Management Sdn Bhd*	• Dormant	• Director (<i>Appointed on 29 June 2020 and resigned on 16 April 2025</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
• MMC Real Estate Sdn Bhd*	• Investment holding with investments in land and property	• Director (<i>Appointed on 1 February 2024 and resigned on 16 April 2025</i>)
• MMC Tepat Teknik (Kejuruteraan) Sdn Bhd*	• Dormant	• Director (<i>Appointed on 30 July 2020 and resigned on 16 April 2025</i>)
• MMC Transport Engineering Sdn Bhd*	• Dormant	• Director (<i>Appointed on 28 August 2020 and resigned on 16 April 2025</i>)
• MMC Utilities Berhad*	• Dormant	• Director (<i>Appointed on 30 June 2020 and resigned on 16 April 2025</i>)
• Pernas Charter Management Sdn Bhd*	• Provision of management services to holding company and fellow subsidiaries	• Director (<i>Appointed on 30 June 2020 and resigned on 16 April 2025</i>)
• Southern Malayan Tin Dredging (M) Berhad*	• Dormant	• Director (<i>Appointed on 30 June 2020 and resigned on 16 April 2025</i>)

Note:

* *Subsidiaries / associates / joint ventures of MMC Corp.*

(iii) Md Derick bin Basir

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorships and other involvement in principal business activities outside our Group		
• Senai Airport Sdn Bhd* (<i>winding up</i>)	• Airport and air-traffic-control activities	• Director (<i>Appointed on 6 February 2018</i>)
Past directorships		
• KTMB MMC Cargo Sdn Bhd*	• Rail freight transporter and other related businesses in the rail cargo sector such as forwarding, shipping and chartering agents	• Director (<i>Appointed on 30 June 2020 and resigned on 27 May 2025</i>)
• Seaport Worldwide*	• Property development	• Director (<i>Appointed on 12 June 2020 and resigned on 21 March 2024</i>)

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Senai Airport City Services Sdn Bhd*	Provides management services for Senai Airport City development area and acting as free zone authority manager	Director (Appointed on 28 February 2020 and resigned on 27 May 2025)

Note:

* Subsidiaries / associates / joint ventures of MMC Corp.

(iv) Nik Muzani bin Nik Abdul Aziz

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorships and other involvement in principal business activities outside our Group		
KN Global Transport Sdn Bhd*	Warehousing and storage services, other service activities incidental to land transportation such as forwarding of freight	Director (Appointed on 1 December 2020)⁽¹⁾
KN Loginfra Sdn Bhd (winding up)*	Warehousing and storage services	Director (Appointed on 1 December 2020)
KN Maritime Services Sdn Bhd (winding up)*	Forwarding of freight	Director (Appointed on 1 December 2020)
Konnas Prolink Sendirian Berhad (winding up)*	Other service activities incidental to land transportation N.E.C	Director (Appointed on 1 December 2020)
Kontena Nasional Global Logistics Sdn Bhd*	Provision of freight forwarding services	Director (Appointed on 1 December 2020)⁽¹⁾
KTMB MMC Cargo Sdn Bhd*	Rail freight transporter and other related businesses in the rail cargo sector such as forwarding, shipping and chartering agents	Director (Appointed on 27 May 2025)⁽¹⁾
P.T. Ritra Konnas Freight Centre*	Container depot and cargo freight centre	Director (Appointed on 5 January 2022)⁽¹⁾

Notes:

* Subsidiaries / associates / joint ventures of MMC Corp.

(1) Nik Muzani bin Nik Abdul Aziz is in the midst of resigning from this company.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(v) Dato' Sasedharan A/L Vasudevan

<u>Name of company/ entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Present directorships and other involvement in principal business activities outside our Group		
Malaysian International Chamber of Commerce & Industry	Activities of business and employers membership organisations; forwarding of freight; courier activities other than national post activities	Director (<i>Appointed on 16 October 2018</i>)
Past directorships		
Telus Harta Sdn Bhd	To carry on the business of an investment holding company and to purchase or otherwise acquire for investment or resale land, factories, houses, buildings, stations and other immovable properties of any tenure or any interest therein and any movable properties of any description or any interest therein and to create, sell and deal in freehold and lease hold ground rents and to make advances upon the security of land or house, or other property of any interest therein	Director (<i>Appointed on 14 January 2021 and resigned on 24 July 2024</i>)

The involvement of our key senior management as disclosed above excludes shares in public listed companies held by our key senior management as minority shareholders (less than 5.0% of the total number of issued shares of a public listed company) and in which they do not hold any directorship, and is only for trading and personal investment purposes.

The involvement of our key senior management mentioned above in other principal business activities outside our Group will not affect their continued contribution to the day-to day management of our Group and are not expected to require a significant amount of their time or attention or adversely affect the operations of our Group as our key senior management do not participate in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.3.4 Service contracts with our key senior management

As at the date of this Prospectus, there are no existing or proposed service contracts between our key senior management and us which provide for benefits upon termination of employment.

9.3.5 Remuneration and material benefits in-kind of our key senior management

The aggregate remuneration and material benefits in-kind (including any contingent or deferred remuneration) paid or proposed to be paid to our key senior management for services rendered in all capacities to our Group for the FYE 31 December 2024 and FYE 31 December 2025 are as follows:

Key senior management	Remuneration band (FYE 31 December)	
	2024 (Actual)	2025 (Proposed) ⁽¹⁾
	RM'000	RM'000
Dato' Azman Shah bin Mohd Yusof	2,200 – 2,250	1,850 – 1,900
Neo Li Ping	50 – 100 ⁽²⁾	600 – 650
Mark William Hardiman	3,050 – 3,100	2,150 – 2,200
Md Derick bin Basir	1,200 – 1,250	950 – 1,000
Nik Muzani bin Nik Abdul Aziz	– ⁽³⁾	250 – 300 ⁽³⁾
Dato' Sasedharan A/L Vasudevan	1,400 – 1,450	1,100 – 1,150
Khairul Anuar bin Othman	350 – 400	350 – 400

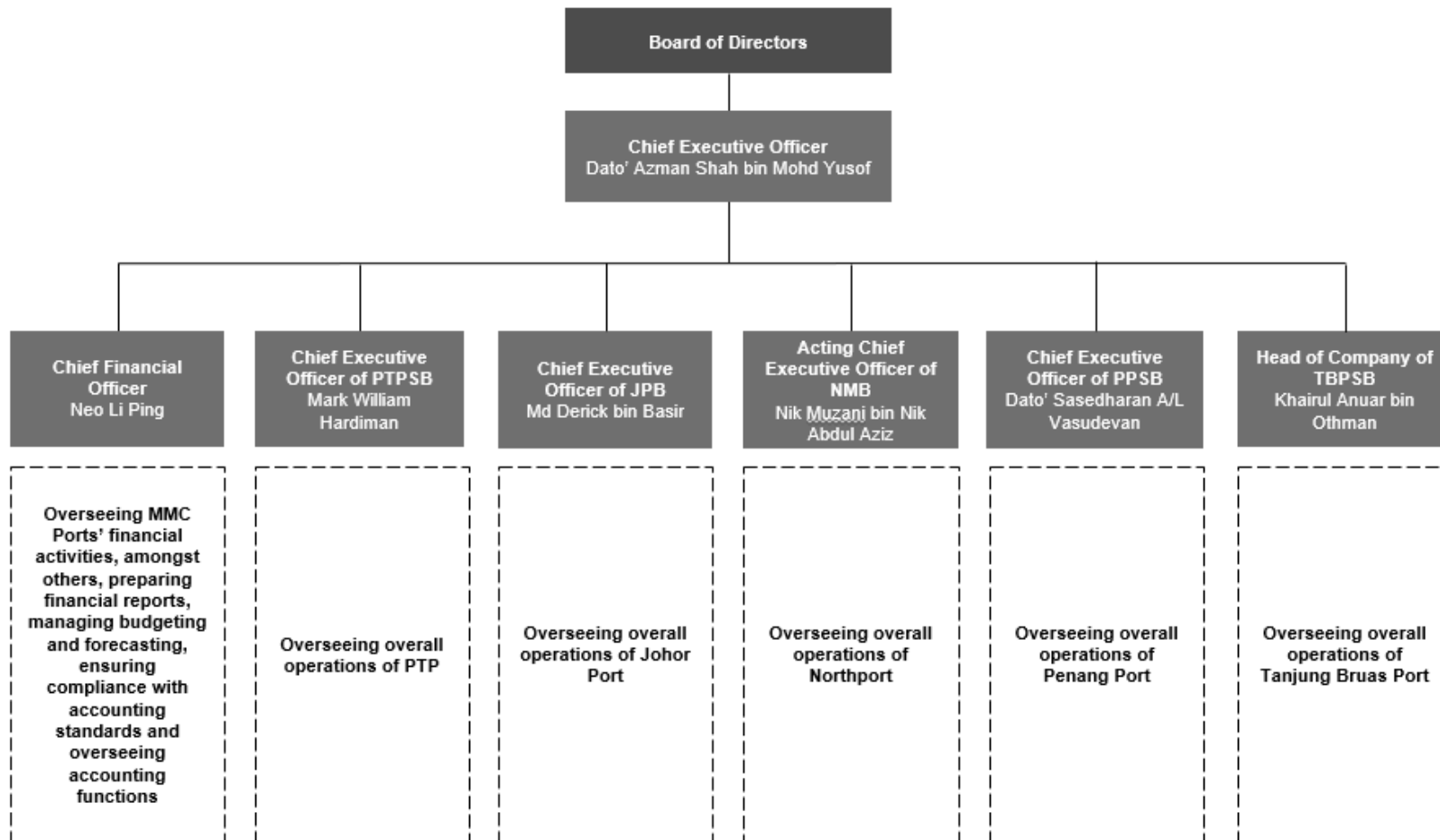
Notes:

- (1) *Excluding bonuses, which will be determined later based on the performance of the individuals and our Group.*
- (2) *Neo Li Ping was appointed as our Chief Financial Officer in December 2024.*
- (3) *Nik Muzani bin Nik Abdul Aziz was appointed as our Acting Chief Executive Officer of NMB in August 2025.*

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.4 MANAGEMENT REPORTING STRUCTURE

Our management reporting structure is as follows:



9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.5 ASSOCIATIONS OR FAMILY RELATIONSHIP BETWEEN OUR SUBSTANTIAL SHAREHOLDERS, PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there are no associations or family relationships between our substantial shareholders, Promoters, Directors and key senior management:

- (i) TSSM, our substantial shareholder, is:
 - a director of our Promoter and substantial shareholder, Seaport Terminal;
 - father of Sharifah Sofia binti Syed Mokhtar Shah, who is our Non-Independent Non-Executive Director; and
 - father of Syed Danial bin Syed Mokhtar Shah, who is a director of our Promoter and substantial shareholder, Seaport Terminal.
- (ii) Sharifah Sofia binti Syed Mokhtar Shah, our Non-Independent Non-Executive Director, is:
 - daughter of TSSM, who is our substantial shareholder; and
 - sister of Syed Danial bin Syed Mokhtar Shah, who is a director of our Promoter and substantial shareholder, Seaport Terminal.
- (iii) Syed Danial bin Syed Mokhtar Shah, a director of our Promoter and substantial shareholder, Seaport Terminal, is:
 - son of TSSM, our substantial shareholder; and
 - brother of Sharifah Sofia binti Syed Mokhtar Shah, who is our Non-Independent Non-Executive Director.
- (iv) TSCK, our Non-Independent Non-Executive Chairman, is a director of our Promoter and substantial shareholder, MMC Corp.

9.6 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors or key senior management are and have been involved in any of following events (whether in or outside Malaysia):

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person was a partner or any corporation of which such person was a director or member of key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (vi) the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity;
- (vii) in the last 10 years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) there is any unsatisfied judgment against such person.

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10. RELATED PARTY TRANSACTIONS

10.1 OUR GROUP'S RELATED PARTY TRANSACTIONS

10.1.1 Material related party transactions

Save as disclosed below, there are no other material related party transactions entered into by our Group which involves the interest, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the FYE 31 December 2022, FYE 31 December 2023, FYE 31 December 2024 and up to the LPD:

(a) Related party transactions carried out on arm's length basis

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022	FYE 31 December 2023	FYE 31 December 2024	From 1 January 2025 up to the LPD
				RM'000	RM'000	RM'000	RM'000
1.	MMC Corp and certain subsidiaries/associates of MMC Corp ⁽²⁾	Interested major shareholders - Seaport Terminal, Indra Cita and TSSM^{(3)(a)} Interested Directors - TSCK⁽⁴⁾ - Sharifah Sofia binti Syed Mokhtar Shah⁽⁵⁾	Supply of services provided by MMC Corp to our Group⁽⁶⁾	62 (Negligible to our Group's total operating expenditures)	59 (Negligible to our Group's total operating expenditures)	108 (Negligible to our Group's total operating expenditures)	33
			Payment of charges for construction and engineering related works by our Group to MMC Engineering Sdn Bhd, which are non-recurrent transactions⁽⁷⁾	145,358 (0.9% of our Group's total assets)	98,274 (0.6% of our Group's total assets)	186,931 (1.2% of our Group's total assets)	84,817
			Secondment costs paid by our Group to MMC Corp	478 (Negligible to our Group's total operating expenditures)	428 (Negligible to our Group's total operating expenditures)	122 (Negligible to our Group's total operating expenditures)	140
			Provision of port related services by our Group to Kontena Nasional, Kontena Nasional Global Logistics Sdn Bhd and KTMB MMC Cargo Sdn Bhd⁽⁸⁾	2,959 (0.1% of our Group's total revenue)	1,763 (Negligible to our Group's total revenue)	2,498 (0.1% of our Group's total revenue)	208

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
			Provision of forwarding services by Kontena Nasional Global Logistics Sdn Bhd to our Group⁽⁹⁾	160 (Negligible to our Group's total operating expenditures)	105 (Negligible to our Group's total operating expenditures)	251 (Negligible to our Group's total operating expenditures)	113
			Rentals received by our Group⁽¹⁰⁾	546 (Negligible to our Group's total revenue)	566 (Negligible to our Group's total revenue)	2,886 (0.1% of our Group's total revenue)	205
			Non-revenue water services received by our Group from Aliran Water Services Sdn Bhd and Aliran Ihsan Resources Berhad to reduce water losses⁽¹¹⁾	2,080 (0.1% of our Group's total operating expenditures)	1,619 (0.1% of our Group's total operating expenditures)	3,280 (0.1% of our Group's total operating expenditures)	1,120
			Administration charges received by our Group from MMC Engineering Sdn Bhd	18 (Negligible to our Group's total revenue)	38 (Negligible to our Group's total revenue)	10 (Negligible to our Group's total revenue)	2
			Haulage, shunting and depot gate charges paid by our Group to Kontena Nasional	1,416 (Negligible to our Group's total operating expenditures)	169 (Negligible to our Group's total operating expenditures)	26 (Negligible to our Group's total operating expenditures)	38
			Equipment charges paid by our Group to Kontena Nasional Global Logistics Sdn Bhd	-	72 (Negligible to our Group's total operating expenditures)	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
			Provision of transport services by our Group to Gas Malaysia Green Ventures Sdn Bhd⁽¹²⁾	270 (Negligible to our Group's revenue)	-	-	-
			Provision of cleaning and landscaping services by Alam Flora Environmental Solutions Sdn Bhd to our Group⁽¹³⁾	3,178 (0.1% of our Group's total operating expenditures)	3,632 (0.1% of our Group's total operating expenditures)	2,663 (0.1% of our Group's total operating expenditures)	2,037
			Provision of waste management services by Alam Flora Environmental Solutions Sdn Bhd to our Group⁽¹⁴⁾	262 (Negligible to our Group's total operating expenditures)	587 (Negligible to our Group's total operating expenditures)	402 (Negligible to our Group's total operating expenditures)	51
			Disposal of scrap material and scheduled waste by our Group to Alam Flora Environmental Solutions Sdn Bhd⁽¹⁵⁾	483 (Negligible to our Group's total revenue)	401 (Negligible to our Group's total revenue)	360 (Negligible to our Group's total revenue)	130
			Provision of solar power electricity from Malakoff Radiance Sdn Bhd to our Group⁽¹⁶⁾	-	878 (Negligible to our Group's total operating expenditures)	950 (Negligible to our Group's total operating expenditures)	357
			Provision of groundwater feasibility study and upgrading of firefighter pipelines services from Aliran Utilities Sdn Bhd to our Group, which are non-recurrent transactions⁽¹⁷⁾	-	56 (Negligible to our Group's total operating expenditures)	563 (Negligible to our Group's total operating expenditures)	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
2.	DRB-HICOM Group ⁽¹⁸⁾	Interested major shareholder - TSSM^{(3)(b)} Interested Director - Sharifah Sofia binti Syed Mokhtar Shah⁽⁵⁾	- Purchase of motor vehicles and maintenance services by our Group from Edaran Otomobil Nasional Berhad, Proton Edar Sdn Bhd, Automotive Corporation (Malaysia) Sdn Bhd and Eon Auto Mart Sdn Bhd, which are non-recurrent transactions - Provision of port related services by our Group to DRB-HICOM Auto Solutions Sdn Bhd, Pos Logistics Berhad, KP Asia Auto Logistics Sdn Bhd, Aman Freight (M) Sdn Bhd⁽¹⁹⁾ - Sub-lease and rentals received by our Group⁽²⁰⁾	1,710 (Negligible to our Group's total assets)	150 (Negligible to our Group's total assets)	741 (Negligible to our Group's total assets)	44
				5,050 (0.1% of our Group's total revenue)	6,131 (0.2% of our Group's total revenue)	8,253 (0.2% of our Group's total revenue)	1,283
				733 (Negligible to our Group's total revenue)	712 (Negligible to our Group's total revenue)	777 (Negligible to our Group's total revenue)	267
3.	Tradewinds Group ⁽²¹⁾	Interested major shareholder - TSSM^{(3)(c)} Interested Director - Sharifah Sofia binti Syed Mokhtar Shah⁽⁵⁾	- Provision of port related services by our Group to Central Sugars Refinery (Padang Terap) Sdn Bhd and Padiberas Nasional Berhad⁽²²⁾ - Rentals and fuel charges received by our Group⁽²³⁾	1,703 (Negligible to our Group's total revenue)	2,978 (0.1% of our Group's total revenue)	721 (Negligible to our Group's total revenue)	126
				5,511 (0.1% of our Group's total revenue)	2,305 (0.1% of our Group's total revenue)	4,461 (0.1% of our Group's total revenue)	2,346

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
4.	Media Prima Omnia Sdn Bhd	Interested major shareholder • TSSM ^{(3)(d)} Interested Director • Sharifah Sofia binti Syed Mokhtar Shah ⁽⁵⁾	• Payment of advertisement fee by our Group to Media Prima Omnia Sdn Bhd	138 (Negligible to our Group's total operating expenditures)	683 (Negligible to our Group's total operating expenditures)	54 (Negligible to our Group's total operating expenditures)	12
5.	A.P.Moller-Maersk Group ⁽²⁴⁾	Interested major shareholder • APM Terminals B.V. ⁽²⁵⁾	• Provision of port services by PTPSB to A.P.Moller – Maersk Group ⁽²⁶⁾ • Payment of repair and maintenance, and spare parts charges by PTPSB to A.P.Moller – Maersk Group • Repair services rendered by PTIS to A.P.Moller – Maersk Group	912,625 (22.5% of our Group's total revenue) 3,694 (0.1% of our Group's total operating expenditures) 12,635 (0.3% of our Group's total revenue)	934,016 (23.6% of our Group's total revenue) 4,612 (0.2% of our Group's total operating expenditures) 11,783 (0.3% of our Group's total revenue)	1,174,604 (27.0% of our Group's total revenue) 5,968 (0.2% of our Group's total operating expenditures) 13,554 (0.3% of our Group's total revenue)	425,140 2,364 4,959
6.	PRPC Utilities & Facilities Sdn Bhd	Interested major shareholder • PRPC SPJ Sdn Bhd ⁽²⁷⁾	• Provision of operating equipment, systems and manpower for the operations and maintenance of SPT Services ⁽²⁸⁾	43,339 (1.1% of our Group's total revenue)	49,365 (1.3% of our Group's total revenue)	55,453 (1.3% of our Group's total revenue)	26,645
7.	Kumpulan Melaka Berhad	Interested major shareholder • Kumpulan Melaka Berhad ⁽²⁹⁾	• Rentals paid by our Group ⁽³⁰⁾	-	-	649 (Negligible to our Group's total operating expenditures)	256

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction ⁽¹⁾	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
8.	Horsedale Development Berhad	Interested major shareholder • TSSM ^{(3)(e)} Interested Director • Sharifah Sofia binti Syed Mokhtar Shah ⁽⁵⁾	• Payment for subscription of club membership, food and beverages to Horsedale Development Berhad by our Group	11 (Negligible to our Group's total operating expenditures)	16 (Negligible to our Group's total operating expenditures)	8 (Negligible to our Group's total operating expenditures)	3
9.	Danau Permai Resort Berhad	Interested major shareholder • TSSM ^{(3)(f)} Interested Director • Sharifah Sofia binti Syed Mokhtar Shah ⁽⁵⁾	• Subscription of club membership to Danau Permai Resort Berhad by our Group	9 (Negligible to our Group's total operating expenditures)	10 (Negligible to our Group's total operating expenditures)	9 (Negligible to our Group's total operating expenditures)	4
10.	Percetakan Nasional Malaysia Berhad and PNMB InnoVentures Sdn Bhd	Interested major shareholder • TSSM ^{(3)(g)} Interested Director • Sharifah Sofia binti Syed Mokhtar Shah ⁽⁵⁾	• Payment for printing services and subscription fee for electronic document management system to Percetakan Nasional Malaysia Berhad by our Group • Provision of digital imaging and document archiving services by PNMB InnoVentures Sdn Bhd to our Group	3 (Negligible to our Group's total operating expenditures) -	3 (Negligible to our Group's total operating expenditures) 212 (Negligible to our Group's total operating expenditures)	130 (Negligible to our Group's total operating expenditures) 411 (Negligible to our Group's total operating expenditures)	- -

10. RELATED PARTY TRANSACTIONS (Cont'd)**Notes:**

- (1) Unless otherwise stated, the related party transactions are recurrent.
- (2) Refers to MMC Corp and the following subsidiaries/associates of MMC Corp:

Subsidiaries

- (a) Aliran Ihsan Resources Berhad;
- (b) Aliran Utilities Sdn Bhd;
- (c) Aliran Water Services Sdn Bhd;
- (d) Kontena Nasional;
- (e) Kontena Nasional Global Logistics Sdn Bhd;
- (f) KTMB MMC Cargo Sdn Bhd;
- (g) MMC Engineering Sdn Bhd; and

Associates

- (a) Alam Flora Environmental Solutions Sdn Bhd;
- (b) Gas Malaysia Green Ventures Sdn Bhd; and
- (c) Malakoff Radiance Sdn Bhd.

- (3) TSSM is a major shareholder of:
- (a) the MMC Corp and certain subsidiaries/ associates of MMC Corp, as set out in note (2) above, via his 100.0% shareholding in Indra Cita (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Indra Cita), which in turn holds 100.0% equity interest in Seaport Terminal. Seaport Terminal holds 100.0% equity interest in MMC Corp. TSSM is also a director of Seaport Terminal and Indra Cita;
 - (b) the DRB-HICOM Group via his 90.0% shareholding in Etika Strategi Sdn Bhd (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds 10.0% equity interest in Etika Strategi Sdn Bhd), which in turn holds 55.9% equity interest in DRB-HICOM Berhad. TSSM is a director of Etika Strategi Sdn Bhd;
 - (c) the Tradewinds Group via his 100.0% shareholding in Restu Jernih Sdn Bhd (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Restu Jernih Sdn Bhd), which in turn holds 100.0% equity interest in Tradewinds Group (M) Sdn Bhd. TSSM is also a director of Tradewinds Group (M) Sdn Bhd and Restu Jernih Sdn Bhd;
 - (d) Media Prima Omnia Sdn Bhd via his 100.0% shareholding in Aurora Mulia Sdn Bhd, which in turn holds 31.9% equity interest in Media Prima Berhad. Media Prima Berhad in turn holds 100.0% equity interest in Media Prima Omnia Sdn Bhd;
 - (e) Horsedale Development Berhad via his 100.0% shareholding in Kelana Ventures Sdn Bhd (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Kelana Ventures Sdn Bhd), which in turn holds 100.0% equity interest in Prisma Dimensi Sdn Bhd. Prisma Dimensi Sdn Bhd in turn holds 58.0% equity interest in Puncak Permai Sdn Bhd, which in turn holds 70.0% equity interest in Horsedale Development Berhad. Prisma Dimensi also holds 30.0% equity interest in Horsedale Development Berhad;

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (f) *Danau Permai Resort Berhad via his 100.0% shareholding in Kelana Ventures Sdn Bhd (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Kelana Ventures Sdn Bhd), which in turn holds 100.0% equity interest in Prisma Dimensi Sdn Bhd. Prisma Dimensi Sdn Bhd in turn holds 58.0% equity interest in Puncak Permai Sdn Bhd, which in turn holds 70.0% equity interest in Horsedale Development Berhad. Prisma Dimensi also holds 30.0% equity interest in Horsedale Development Berhad. Horsedale Development Berhad in turns holds 50.0% equity interest in Hicom-Gamuda Development Sdn Bhd, which in turns holds 100.0% equity interest in Danau Permai Resort Berhad; and*
- (g) *Percetakan Nasional Malaysia Berhad via his 100.0% shareholding in Restu Jernih Sdn Bhd (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Restu Jernih Sdn Bhd), which in turn holds 100.0% equity interest in Tradewinds Group (M) Sdn Bhd. Tradewinds Group (M) Sdn Bhd in turn holds 100.0% equity interest in Sutera Bakti Sdn Bhd, which in turn holds 100.0% equity interest in Percetakan Nasional Malaysia Berhad.*
- (4) *TSCK is our Director and also a director of MMC Corp, Aliran Ihsan Resources Berhad, Kontena Nasional and MMC Engineering Sdn Bhd.*
- (5) *Sharifah Sofia binti Syed Mokhtar Shah is our Director and daughter of TSSM. She is also a director of Etika Strategi Sdn Bhd.*
- (6) *MMC Corp and our Company had entered into services agreements on 15 July 2021 and 28 October 2024 respectively for MMC Corp to provide internal audit services and other services to our Group at a mark-up. These fees include personnel, administration and certain overhead expenses to be paid by our Group to MMC Corp. The services agreement dated 15 July 2021 had commenced on 1 January 2021 and will continue to be in force until its termination, whilst the services agreement dated 28 October 2024 had commenced on 1 October 2024, and will continue for an initial term of one year, after which it may be renewed for additional terms upon mutual written agreement of both parties, unless terminated earlier. The parties to the services agreements have the right to terminate the agreement(s) by giving 60 days' notice in writing to the other party without giving any reason whatsoever. MMC Corp and our Company will enter a services agreement for MMC Corp to provide human resources related services, corporate secretarial services and general legal advisory and support prior to our Listing.*
- (7) *Being the sum of the payment of charges to MMC Engineering Sdn Bhd for the construction of container yards for NMB which were completed in 2023 (Block J) and 2024 (Block K) respectively, upgrading of crane rail for NMB which will be completed by March 2026, construction of liquid jetty for JPB which will be completed by the third quarter of 2025, annex warehouse for JPB which was completed in 2023, reclamation works in Tanjung Adang, Johor for PTPSB which was completed in 2023, construction of yard for PTPSB which will be completed in March 2026, relocation of containment bund for PTPSB which was completed in May 2025, upgrading of wharf road for PTPSB which will be completed in September 2026 and upgrading of the existing open yard into container yard for TBPSB which was completed in 2022 and other ancillary engineering related works.*
- (8) *These services are part of our ordinary course of business, and the fees charged are based on the established port tariffs. The credit terms granted by our Group are typically for 30 days.*
- (9) *These services are part for our ordinary course of business, and the fees charged are based on the types of services provided to our Group and the measurement of the consignment/shipment. The credit terms granted to our Group are typically for 30 days.*
- (10) *Being the sum of the storage charges and rentals for warehouses, yard spaces and offices received from Alam Flora Environmental Solutions Sdn Bhd, Kontena Nasional, Kontena Nasional Global Logistics Sdn Bhd, KTMB MMC Cargo Sdn Bhd by NMB, PPSB and JPB. The rental period for these premises ranges from six months to 10 years, with the latest expiry being on 31 July 2029. The rentals with Kontena Nasional by PPSB and the rental with KTMB MMC Cargo Sdn Bhd by JPB are no longer subsisting.*

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (11) *Being the sum of the non-revenue water services, infrastructure installation and repair works, where applicable. These services are for a duration of six years commencing from 1 July 2020 for NMB, six years commencing from 28 October 2021 for PPSB and commencing from 16 April 2019 until the satisfactory completion of Aliran Ihsan Resources Berhad's obligations which shall be at least four years from the completion period of construction for JPB respectively. The payment of these services will be as follows:*
- (a) *NMB: By way of a profit-sharing arrangement based on the savings received by NMB as a result of the non-revenue water reduction from the agreed baseline during the period of 70.0% to Aliran Water Services Sdn Bhd, and 30.0% to NMB;*
 - (b) *PPSB: RM7,498,414 which is inclusive of the profit-sharing arrangement based on the savings received by PPSB as a result of the non-revenue water reduction from the agreed baseline during the period of 60.0% to Aliran Ihsan Resources Berhad, and 40.0% to PPSB; and*
 - (c) *JPB: A non-escalating price of RM3,000,000, payable upon completion of the works on a monthly basis at RM83,400 from the first month to the 35th month and RM81,000 for the 36th month.*
- (12) *The provision of transport services is no longer subsisting.*
- (13) *These services provided by Alam Flora Environmental Solutions Sdn Bhd to JPB are for a duration of three years commencing from 1 April 2024 with the expiry being on 31 March 2027. The current monthly cost for these services is RM272,863. Similar services were provided to NMB for FYE 31 December 2022 and FYE 31 December 2023, and the services provided to NMB is no longer subsisting thereafter.*
- (14) *These services are for a duration of 10 years commencing from 1 August 2019. The monthly cost for these services is not fixed and will vary depending on the frequency of waste management services provided each month.*
- (15) *These services are provided on an ad-hoc basis, where Alam Flora Environmental Solutions Sdn Bhd collects and disposes damaged or abandoned goods and cargo wastes of NMB.*
- (16) *These services are for a duration of 21 years commencing from 1 November 2022 for NMB with a tariff rate of RM0.27/kWh and 25 years commencing from 1 November 2022 for two warehouses of NMB, and 1 March 2024 for a warehouse of JPB with a tariff rate of RM0.27/kWh.*
- (17) *These services are for a duration of 90 days commencing from 8 June 2023 for a sum of RM160,000 for the provision of groundwater feasibility study with the construction of one unit of tube well for NMB and for a duration of 150 days commencing from 20 November 2023 for a sum of RM649,810 for the upgrading of firefighter pipelines services for NMB. Both services are no longer subsisting.*
- (18) *Refers to the following subsidiaries of DRB-HICOM Berhad:*
- (a) *Aman Freight (M) Sdn Bhd;*
 - (b) *Automotive Corporation (Malaysia) Sdn Bhd;*
 - (c) *DRB-HICOM Auto Solutions Sdn Bhd;*
 - (d) *Edaran Otomobil Nasional Berhad;*
 - (e) *Eon Auto Mart Sdn Bhd;*
 - (f) *KP Asia Auto Logistics Sdn Bhd;*
 - (g) *Pos Logistics Berhad;*

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (h) Proton Edar Sdn Bhd; and
(i) PUSPAKOM Sdn Bhd.
- (19) These services are part of our ordinary course of business, and the fees charged are based on the established port tariffs. The credit terms granted by our Group are typically for 30 days.
- (20) Being the sum of the storage charges and rentals for yard spaces and offices received from Pos Logistics Berhad and PUSPAKOM Sdn Bhd by NMB and PPSB. The rental period for these premises is one year, with the latest expiry being on 30 November 2025. The rental with Pos Logistics Berhad by PPSB is no longer subsisting.
- (21) Refers to the following subsidiaries of Tradewinds Group (M) Sdn Bhd:
- (a) Central Sugars Refinery (Padang Terap) Sdn Bhd; and
(b) Padiberas Nasional Berhad.
- (22) These services are part of our ordinary course of business, and the fees charged are based on the established port tariffs. The credit terms granted by our Group are typically for 30 days.
- (23) Being the sum of the storage charges and rentals for warehouses and yard spaces, as well as fuel charges received from Padiberas Nasional Berhad and Central Sugars Refinery (Padang Terap) Sdn Bhd by NMB, PPSB and JPB. The rental period for these premises ranges from six months to three years, with the latest expiry being on 31 October 2027. The rentals with Padiberas Nasional Berhad by NMB and PPSB are no longer subsisting.
- (24) Refers to the A.P.Moller – Maersk A/S and its subsidiaries, namely:
- (a) APM Terminals Crane & Engineering Services Limited;
(b) APM Terminals Management B.V.;
(c) Damco Logistics Services Sdn Bhd;
(d) Maersk Container Industry A/S;
(e) Maersk Malaysia Sdn Bhd;
(f) Maersk Logistics & Services Malaysia Sdn Bhd; and
(g) Sealand Maersk Asia Pte Ltd.
- (25) APM Terminals B.V. is the major shareholder of PTPSB, holding 30.0% equity interest in PTPSB. APM Terminals B.V. is a wholly-owned subsidiary of A.P.Moller – Maersk A/S.
- (26) These services are part of our ordinary course of business, and the fees charged are based on the relevant commercial rates arrangements between our Group and our key customers. The credit term granted by our Group is 30 days. However, our Group afford payment flexibility to these key customers. The A.P.Moller - Maersk Group usually settles its trade debts owing to our Group within 60 days.
- (27) PRPC Utilities & Facilities Sdn Bhd holds 51.0% equity interest in PRPC SPJ Sdn Bhd. PRPC SPJ Sdn Bhd is the major shareholder of SPT Services, holding a 30.0% equity interest in SPT Services.

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (28) *SPT Services and PRPC Utilities & Facilities Sdn Bhd had entered into an operatorship agreement on 15 June 2017 for the operatorship of the PETRONAS Pengerang Integrated Complex's solid product jetty terminals for 25 years commencing from 4 April 2019, including the provision of operation and maintenance services, equipment and transportation services, and loading and off-loading services to manage the operations of the solid product jetty terminals.*
- (29) *Kumpulan Melaka Berhad is the major shareholder of TBPSB, holding 30.0% equity interest in TBPSB.*
- (30) *TBPSB has leased from Kumpulan Melaka Berhad a parcel of land on Lot 15769, PM 171, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka for a period of 30 years commencing from 1 August 2024 and expiring on 30 March 2055. The rental is subjected to an increment of 10.0% every three years.*

Our Directors confirm that the related party transactions outlined above were transacted on an arms' length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties and not unfavourable to our Group, and are not detrimental to the non-interested shareholders.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**(b) Related party transactions carried out on non-arm's length basis**

No.	Transacting parties	Nature of relationship	Nature of transaction	FYE 31 December 2022 RM'000	FYE 31 December 2023 RM'000	FYE 31 December 2024 RM'000	From 1 January 2025 up to the LPD RM'000
1.	MMC Land Sdn Bhd	Interested major shareholders - MMC Corp, Seaport Terminal, Indra Cita and TSSM⁽¹⁾ Interested Directors - TSCK⁽²⁾ - Sharifah Sofia binti Syed Mokhtar Shah⁽³⁾	Disposal of shares in Seaport Worldwide by JPB to MMC Land Sdn Bhd which was a one-off transaction⁽⁴⁾	649,282 (4.0% of our Group's total assets)	-	-	-
2.	MMC Logistics Holdings Sdn Bhd	Interested major shareholders - MMC Corp, Seaport Terminal, Indra Cita and TSSM⁽¹⁾ Interested Directors - TSCK⁽²⁾ - Sharifah Sofia binti Syed Mokhtar Shah⁽³⁾	Disposal of shares in Kontena Nasional together with its wholly-owned subsidiaries, namely Kontena Nasional Global Logistics Sdn Bhd and KN Global Transport Sdn Bhd by NCB Holdings to MMC Logistics Holdings Sdn Bhd which was a one-off transaction⁽⁵⁾	-	-	307,034 (2.0% of the Group's total assets)	-

Notes:

- (1) TSSM is a major shareholder of MMC Land Sdn Bhd and MMC Logistics Holdings Sdn Bhd via his 100.0% shareholding in Indra Cita (his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Indra Cita), which in turn holds 100.0% equity interest in Seaport Terminal. Seaport Terminal holds 100.0% equity interest in MMC Corp, which in turn holds 100.0% equity interest in MMC Land Sdn Bhd and MMC Logistics Holdings Sdn Bhd. TSSM is also a director of Seaport Terminal and Indra Cita.
- (2) TSCK is our Director and also a director of MMC Land Sdn Bhd and MMC Corp.
- (3) Sharifah Sofia binti Syed Mokhtar Shah is our director and the daughter of TSSM.
- (4) JPB had disposed of 50,000,000 ordinary shares and 268,322,939 RCPS representing 100.0% equity interest in Seaport Worldwide to MMC Land Sdn Bhd. The consideration of RM649.3 million for the said disposal was arrived at based on the cost of investment by JPB in Seaport Worldwide.
- (5) NCB Holdings had disposed of 28,711,746 ordinary shares and 145,514,015 RCPS representing 100.0% equity interest in Kontena Nasional to MMC Logistics Holdings Sdn Bhd. The consideration of RM307.0 million for the said disposal was arrived at based on the cost of investment by NCB Holdings in Kontena Nasional.

10. RELATED PARTY TRANSACTIONS (Cont'd)

The disposals of the shares in Seaport Worldwide by JPB to MMC Land Sdn Bhd, and the shares in Kontena Nasional by NCB Holdings to MMC Logistics Holdings Sdn Bhd, are not considered to be on arm's length basis, as the disposal considerations were arrived at based on the respective costs of investment. However, the disposals were undertaken by our Group for the purpose of establishing a clearer operating structure, focusing on the ports which are profitable business segments with growth potential.

Our Directors also confirm that there are no related party transactions that are material to our Group which have been (a) effected after the period covered by the historical financial information disclosed in this Prospectus; or (b) entered into but not yet effected, up to the date of this Prospectus.

After our Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if such related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit Committee will, among others, supervise and monitor any recurrent related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosure in our annual report with regard to any recurrent related party transaction entered into by us.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**10.1.2 Related party transactions entered into that are unusual in their nature or conditions**

There are no related party transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets to which we were a party in respect of the Financial Years Under Review and up to the LPD.

10.1.3 Outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties

Save as disclosed below, there are no material outstanding loans and/or financial assistance (including guarantees of any kind) made by our Group to or for the benefit of any related party in respect of the Financial Years Under Review and up to the LPD:

No.	Transacting parties	Nature of relationship	Nature of transaction and purpose	Outstanding balances			
				As at 31 December 2022	As at 31 December 2023	As at 31 December 2024	As at the LPD
				RM'000	RM'000	RM'000	RM'000
1.	Our Group and (i) MMC Corp; and (ii) related companies of TSSM	Interested major shareholders - MMC Corp, Seaport Terminal, Indra Cita and TSSM Interested Directors - TSCK - Sharifah Sofia binti Syed Mokhtar Shah Nature of relationship MMC Corp is our major shareholder. TSSM is a director of Seaport Terminal and Indra Cita. TSCK is a director of MMC Corp. Sharifah Sofia binti Syed Mokhtar Shah is the daughter of TSSM.	Intercompany advances owed by (i) MMC Corp; and (ii) related companies of TSSM, to our Group	⁽¹⁾ 1,015,131 (6.2% of our Group's total assets)	153 (Negligible to our Group's total assets)	-	-

Note:

- (1) Of which (i) RM649.3 million was in relation to the disposal of Seaport Worldwide by JPB to MMC Land Sdn Bhd, a wholly-owned subsidiary of MMC Corp; and (ii) RM374.9 million was advances by our Group to MMC Corp for its property development activities.

10. RELATED PARTY TRANSACTIONS (Cont'd)

The intercompany advances above were not transacted on an arm's length basis as they were unsecured, interest free (except for RM290.2 million as at 31 December 2022, which bore interest rate of 3.3% to 5.4% per annum) and repayable on demand.

Moving forward, our Group has put in place internal control and compliance procedures in relation to advances, loans and financial assistance from or to third parties, and no further advances, loans or financial assistance will be taken from or provided to any related parties by our Group unless such advances and loans are on an arm's length basis and as permitted under the law and the Listing Requirements and brought to our Audit Committee and our Board for deliberation and approval.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS****10.2.1 Audit Committee review**

The Audit Committee reviews related party transactions and conflicts of interest situations that may arise within our Company or our Group. The Audit Committee also reviews any transaction, procedure or course of conduct that raises questions of management integrity, including our related party transactions. In reviewing the related party transactions, the following, among others, will be considered:

- (i) the rationale and the cost/benefit to our Company is first considered;
- (ii) where possible, comparative quotes will be taken into consideration;
- (iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and
- (iv) that the transactions are not detrimental to our Company's minority shareholders.

All reviews by the Audit Committee are reported to our Board for its further action.

10.2.2 Our Group's policy on related party transactions

Related party transactions by their very nature, involve conflicts of interest between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers and the directors of our Group are also officers, directors and in some cases, shareholders of the related parties of our Group, as disclosed in this Prospectus and, with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Group that all related party transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not to the detriment of our minority shareholders.

In addition, we plan to adopt a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situations and intend for the framework to be guided by the Listing Requirements and the MCCG upon our Listing. The procedures which may form part of the framework including, among others, the following:

- (i) our Board shall ensure that majority of our Board members are independent directors and will undertake an annual assessment of our Independent Directors;
- (ii) our Directors will be required to declare any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and
- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit and Risk Management Committee for evaluation and assessment who would in turn, make a recommendation to our Board.

11. CONFLICT OF INTEREST

11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS THAT OF OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS

Save as disclosed below, our Directors and substantial shareholders do not have any interest, direct or indirect, in any businesses or corporations which are carrying on a similar trade as that of our Group or which are our customers or suppliers:

11.1.1 Involvement of our Directors and/or substantial shareholder in entities which carry on a similar trade as that of our Group

As at the LPD, save as disclosed below, our Directors and/or substantial shareholders do not have interests, direct and indirect, in any entities which are carrying on a similar trade as that of our Group:

No.	Entity	Directors and/or substantial shareholders	Nature of transaction	Principal activity ⁽¹⁾	Nature of interest
(i)	MMC Land Group	<u>Substantial shareholders</u> MMC Corp, Seaport Terminal⁽²⁾, Indra Cita⁽³⁾ and TSSM⁽⁴⁾ <u>Director</u> TSCK	Similar trade as that of our Group	Refer to note (5) for the details of the principal activities	MMC Land Sdn Bhd is a wholly-owned subsidiary of MMC Corp. TSCK is a director of MMC Corp, MMC Land Sdn Bhd, Seaport Worldwide and Senai Airport City Sdn Bhd.
(ii)	MMC Logistics Group	<u>Substantial shareholders</u> MMC Corp, Seaport Terminal⁽²⁾, Indra Cita⁽³⁾ and TSSM⁽⁴⁾ <u>Director</u> TSCK	Similar trade as that of our Group	Refer to note (6) for the details of the principal activities	MMC Logistics Holdings Sdn Bhd is a wholly-owned subsidiary of MMC Corp. TSCK is a director of MMC Corp and Kontena Nasional.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Directors and/or substantial shareholders	Nature of transaction	Principal activity ⁽¹⁾	Nature of interest
(iii)	RSGT	<u>Substantial shareholders</u> MMC Corp, Seaport Terminal ⁽²⁾ , Indra Cita ⁽³⁾ and TSSM ⁽⁴⁾ <u>Director</u> TSCK	Similar trade as that of our Group	Operation and maintenance of a container terminal at Jeddah Islamic Port, Kingdom of Saudi Arabia	RSGT is 60.0% equity interest owned by RSPD, which in turn is 20.0% equity interest owned by City Island Holdings Limited. City Island Holdings Limited is a wholly-owned subsidiary of MMC International Holdings Limited, which in turn is a wholly-owned subsidiary of MMC Corp. TSCK is a director of MMC Corp and RSGT.
(iv)	RBL	<u>Substantial shareholders</u> MMC Corp, Seaport Terminal ⁽²⁾ , Indra Cita ⁽³⁾ and TSSM ⁽⁴⁾ <u>Director</u> TSCK	Similar trade as that of our Group	Port operator for Patenga Container Terminal with a 22-years concession with the Chittagong Port Authority of Bangladesh	RBL is a wholly-owned subsidiary of RSGTI, which in turn is 60.0% equity interest owned by RSPDI. RSPDI is 20.0% equity interest owned by MMC Capital Inc., which in turn is a wholly-owned subsidiary of MMC Corp. RSPDI also holds directly a negligible number of shares in RBL. TSCK is a director of MMC Corp.

Notes:

- (1) The principal activities are based on, amongst others, the annual reports of certain of the abovementioned companies, companies searches and/or other equivalent documents, such as, but not limited to, annual returns, wherever relevant.
- (2) Deemed interested by virtue of its shareholding in MMC Corp, applying Section 8(4) of the Act.
- (3) Deemed interested by virtue of its shareholding in Seaport Terminal, applying Section 8(4) of the Act.
- (4) Deemed interested by virtue of his shareholding in Indra Cita, applying Section 8(4) of the Act. TSSM is also a director of Seaport Terminal and Indra Cita.
- (5) Refers to the following subsidiaries of MMC Land Sdn Bhd, where the principal activities of the individual subsidiaries are as follows:
- (a) Seaport Worldwide – Property development.
- (b) Senai Airport City Sdn Bhd – Property development.

11. CONFLICT OF INTEREST (Cont'd)

- (c) *Senai Airport City Services Sdn Bhd – Provides management services for Senai Airport City development area and acting as the Free Zone Authority manager.*
- (6) *Refers to the following subsidiaries of MMC Logistics Holdings Sdn Bhd, where the principal activities of the individual subsidiaries are as follows:*
 - (a) *Kontena Nasional – Haulage of containers, warehousing and provision of freight forwarding services.*
 - (b) *Kontena Nasional Global Logistics Sdn Bhd – Provision of freight forwarding services.*
 - (c) *KTMB MMC Cargo Sdn Bhd – Rail freight transporter and other related business in the rail cargo sector such as forwarding, shipping and chartering agents.*

MMC Land Group

Our Board is of the view that the potential conflict of interest situation which may arise through the interest of MMC Corp, Seaport Terminal, Indra Cita, TSSM and TSCK in the MMC Land Group is mitigated due to the following:

- (a) both our Group and the MMC Land Group operate distinct businesses. Our Group primarily focuses on port operations, specialising in port-centric services as described in Section 7.6 of this Prospectus. Our customer base mainly consists of global shipping liners that rely on our port facilities for seamless movement of goods between sea and land transport, establishing us as a critical link in global trade.

In contrast, the MMC Land Group is principally involved in industrial property development in Johor, including Senai Airport City and Tanjung Bin Petrochemical & Maritime Industrial Centre respectively. There may be a perceived potential conflict of interest due to their involvement in free zone segment within the Senai Airport City and Tanjung Bin Petrochemical & Maritime Industrial Centre, as there are also free zones within our ports. However, unlike our Group, the MMC Land Group does not operate or manage ports, their focus is strictly on property development related activities. The customer base of the MMC Land Group is broader, spanning industries such as electrical and electronics, logistics and warehousing, green technology manufacturing, fast-moving consumer goods, and petrochemical and maritime industries. These sectors do not compete directly with our customers base, which primarily consists of global shipping lines.

While the free zone operations of the MMC Land Group benefit from proximity to key land, sea and airport transport infrastructure, users of our free zones services primarily rely on our ports' facilities for the movement of goods in the global trade. Premised on this, it can be concluded that the users, tenants or purchasers of land within the free zones of Senai Airport City and Tanjung Bin Petrochemical & Maritime Industrial Centre do not necessarily depend on our Group's port logistics infrastructure when making operational decisions or investment choices to operate or invest in these free zones. Whereas in relation to the port operations, the users or tenants of the free zones land targeted customers that would generate additional business for the port.

11. CONFLICT OF INTEREST (Cont'd)

The long-term goals of our Group and the MMC Land Group are distinct. Our Group focuses on port operations, while the MMC Land Group concentrates on industrial property development. Consequently, the nature of our business activities, customer segments and target markets are fundamentally different, eliminating any direct competition between the two groups; and

- (b) our Directors and our key senior management are not involved in the day-to-day management of the MMC Land Group. The MMC Land Group has their own independent and standalone boards of directors and management teams to undertake their day-to-day operations.

MMC Logistics Group

Our Board is of the view that the potential conflict of interest situation which may arise through the interest of MMC Corp, Seaport Terminal, Indra Cita, TSSM and TSCK in the MMC Logistics Group is mitigated due to the following:

- (a) there may be a perceived potential conflict of interest because both our Group and the MMC Logistics Group are involved in logistics businesses and related ancillary services including warehousing. The 'logistics business' is a general term that encompasses various sub-sectors, such as transportation (port, land and air), freight forwarding and supply chain management.

Notwithstanding that, both our Group and the MMC Logistics Group operate distinctly different businesses. Our Group primarily focuses on port operations, specialising in port-centric services as described in Section 7.6 of this Prospectus. Our customer base mainly consists of global shipping liners that rely on our port facilities for seamless movement of goods between sea and land transport, establishing us as a critical link in global trade. Our warehouses are specifically designed for port users, addressing the needs of shipping liners, cargo handlers and other port-related entities. These warehousing services are integral to our port operations, ensuring efficient transshipment and storage of goods directly tied to port activities. They support the logistics flow of cargo within and around the port area, ensuring smooth operational continuity and facilitating the transition between various modes of transport of our customers.

In contrast, the MMC Logistics Group is principally involved in general logistics services, offering logistics solutions that does not overlap with the scope of a port logistics operator. MMC Logistics Group does not offer logistics solutions to us. Unlike our Group, the MMC Logistics Group does not manage or operate ports. Instead, it focuses on a broader range of logistics activities, including managing supply chains across multiple industries. To illustrate, MMC Logistics Group provides logistics solutions to port customers requiring the transportation of goods to and from ports and inland destinations. In contrast, our Group is specifically optimised for port-side operations, focusing on high-volume, time-critical maritime cargo handling within the port environment. MMC Logistics Group's customer base is much broader, encompassing manufacturers, retailers, e-commerce companies, and other sectors requiring transportation and supply chain management services beyond the port-centric activities. Their logistics services cover cross-borders movements and cater to all forms of cargo transportation including air, ocean and road. Furthermore, the MMC Logistics Group operates warehouses and container yards outside our port areas in Selangor, Penang and Johor, as well as in Pahang and Perak, states where our Group has no port presence. Their warehousing services are tailored to support the distribution of goods of their customers across various industries, from manufacturing to retail, and are designed for broader supply chain integration, including the storage and handling of goods from multiple sectors.

11. CONFLICT OF INTEREST (Cont'd)

While the MMC Logistics Group specialises in supply chain management, focusing on the movement and distribution of goods across the entire supply chain and delivery services to ensure seamless transportation of goods that is from airports and ports to inland destinations, it differs from our Group. We are primarily a port operator focused on, amongst others, infrastructure management, port development, and the handling, loading, and unloading of cargo to and from vessels at our ports, along with warehousing services designed for port users.

The long-term goals of our Group and the MMC Logistics Group are distinct. Our Group focuses on port operations and maritime logistics capabilities, while the MMC Logistics Group concentrates on the development of comprehensive, end-to-end supply chain solutions and logistics diversification. Consequently, the nature of our business activities, customer segments and target markets are fundamentally different, eliminating any direct competition between the two groups;

- (b) the logistics revenue streams for our Group and the MMC Logistics Group differ. Our Group and the MMC Logistics Group have different sets of customers. The customers of the MMC Logistics Group are not necessarily the customers from our ports. The customer base of the MMC Logistics Group is broader, across multiple industries and sectors such as energy, infrastructure and utilities, oil and gas, among others. The MMC Logistics Group covers end-to-end logistics solutions which integrate transportation, custom brokerage, marine agency services, heavy-lift, project and inventory management, whereas our Group's major revenues from the ports are from the liners berthing at our ports;
- (c) as part of a deliberate effort to streamline and rationalise the organisational structure of the MMC Corp Group (including our Group), the entities of Kontena Nasional together with its wholly-owned subsidiaries, namely Kontena Nasional Global Logistics Sdn Bhd and KN Global Transport Sdn Bhd, previously part of NCB Holdings, were disposed to the MMC Logistics Group in February 2024. Subsequently, in December 2024, the MMC Logistics Group has completed its acquisition of KTMB MMC Cargo Sdn Bhd from MMC Corp. This restructuring ensures that all general logistics operations are now consolidated under the MMC Logistics Group, allowing our Group to maintain our singular focus on port operations. While our Group remains focused on port operations, which are specialised and distinct from broader logistics activities, the MMC Logistics Group is responsible for a more diverse set of general logistics services; and
- (d) our Directors and our key senior management are not involved in the day-to-day management of the MMC Logistics Group. The MMC Logistics Group has their own independent and standalone boards of directors and management teams to undertake their day-to-day operations.

11. CONFLICT OF INTEREST (Cont'd)**RSGT**

Our Board is of the view that the potential conflict of interest situation which may arise through the interests of MMC Corp, Seaport Terminal, Indra Cita, TSSM and TSCK in RSGT is mitigated due to the following:

- (a) MMC Corp via its wholly-owned subsidiary, MMC Capital Inc. owns an effective 20.0% equity interest in RSPD which in turn owns 60.0% equity interest in RSGT, or effectively MMC Corp only owns indirect interest of 12.0% in RSGT. As such, both RSPD and RSGT are accounted for as associates of MMC Corp. MMC Corp only has two board representations in RSPD out of seven board members and one board representation in RSGT out of nine board members. Therefore, MMC Corp does not have control over both companies. The remaining shareholders and directors of RSPD and RSGT are not related to nor are they associates of our Directors and substantial shareholders;
- (b) ports are strategically located to serve specific trade routes. Acquiring a port in a different region may not offer the same access to those key markets or routes. RSGT operates a container port terminal at Jeddah Islamic Port, a Saudi Arabian port located in Jeddah on the Red Sea. The geographical separation of the ports operated by our Group in Southeast Asia and RSGT's port in Middle East, approximately 7,000 km distance apart, would infer distinct and separate customer bases and separate markets for both. The economies and key markets in both regions are different, eliminating any direct competition between them;
- (c) our Directors and key senior management are not involved in the day-to-day management of RSPD and RSGT. RSPD and RSGT have their own independent and standalone management teams stationed in Jeddah, who are responsible to undertake their respective day-to-day operations; and
- (d) the investment of MMC Corp in RSPD and RSGT is for financial investment purposes, aimed at generating returns in the form of dividends. On the contrary, MMC Corp is invested in our Group, focusing on enhancing port operations and maritime logistics capabilities, and providing port facilities to the port users.

RBL

Our Board is of the view that the potential conflict of interest situation which may arise through the interests of MMC Corp, Seaport Terminal, Indra Cita, TSSM and TSCK in RBL is mitigated due to the following:

- (a) MMC Corp owns an effective 20.0% equity interest in RSPDI which in turn owns 60.0% equity interest in RSGTI. RSGTI holds 100.0% equity interest in RBL. Effectively, MMC Corp only owns indirect interest of 12.0% in RSGTI and RBL. As such, RSPDI, RSGTI and RBL are accounted for as associates of MMC Corp. MMC Corp only has one board representation in RSPDI (out of five board members), RSGTI (out of seven board members) and RBL (out of seven board members). The remaining shareholders and directors of RSPDI, RSGTI and RBL are not related to nor are they associates of our Directors and substantial shareholders;

11. CONFLICT OF INTEREST (Cont'd)

- (b) ports are strategically located to serve specific trade routes. Acquiring a port in a different region may not offer the same access to those key markets or routes. RBL operates Patenga Container Terminal at Chittagong Port, a Bangladeshi port in the Bay of Bengal. The geographical separation of the ports operated by our Group in Southeast Asia and RBL's port in South Asia, approximately 3,700 km distance apart, would infer distinct and separate customer bases and separate markets for both. The economies and key markets in both regions are different, eliminating any direct competition between them;
- (c) our Directors and key senior management are not involved in the day-to-day management of RSPDI, RGSTI and RBL. RSPDI, RSGTI and RBL have their own independent and standalone management teams, who are responsible to undertake their respective day-to-day operations; and
- (d) the investment of MMC Corp in RSPDI, RSGTI and RBL is for financial investment purposes, aimed at generating returns in the form of dividends. On the contrary, MMC Corp is invested in our Group, focusing on enhancing port operations and maritime logistics capabilities, and providing port facilities to the port users.

11.1.2 Involvement of our Directors and/or substantial shareholders in entities which are our customers and/or suppliers

As at the LPD, save as disclosed below, our Directors and/or substantial shareholders do not have interests, direct and indirect, in any entities which are our customers and/or suppliers:

No.	Entity / Principal activity ⁽¹⁾	Directors and/or substantial shareholders / Nature of interest	Nature of transaction
(i)	MMC Corp and certain of its subsidiaries/ associates <i>Refer to note (2) for the details of the principal activities</i>	<u>Substantial shareholders</u> Seaport Terminal, Indra Cita and TSSM <u>Director</u> TSCK <u>Nature of interest</u> MMC Corp is a wholly-owned subsidiary of Seaport Terminal, which in turn is a wholly-owned subsidiary of Indra Cita. TSSM holds 100.0% equity interest in Indra Cita, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Indra Cita. TSSM is also a director of Seaport Terminal and Indra Cita. TSCK is a director of MMC Corp, Aliran Ihsan Resources Berhad, Kontena Nasional and MMC Engineering Sdn Bhd.	• Supplier of internal audit and other services • Supplier of construction and engineering works • Supplier of secondment services • Supplier of forwarding services • Supplier of non-revenue water services • Supplier of haulage, shunting and depot gate • Supplier of cleaning and landscaping services • Supplier of waste management services • Supplier of solar power electricity • Customer of port related services • Customer of storage services and rentals of properties • Customer of disposal of scrap materials and scheduled wastes

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity / Principal activity⁽¹⁾	Directors and/or substantial shareholders / Nature of interest	Nature of transaction
(ii)	Certain subsidiaries of DRB-HICOM Berhad/ <i>Refer to note (3) for the details of the principal activities</i>	<u>Substantial shareholder</u> TSSM <u>Director</u> Sharifah Sofia binti Syed Mokhtar Shah <u>Nature of interest</u> DRB-HICOM Berhad is a 55.9%-owned subsidiary of Etika Strategi Sdn Bhd. TSSM holds 90.0% equity interest in Etika Strategi Sdn Bhd, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds 10.0% equity interest in Etika Strategi Sdn Bhd. TSSM and Sharifah Sofia binti Syed Mokhtar Shah are directors of Etika Strategi Sdn Bhd.	• Supplier of motor vehicles and maintenance services • Customer of port related services • Customer of storage services and rentals of properties
(iii)	Certain subsidiaries of Tradewinds Group (M) Sdn Bhd/ <i>Refer to note (4) for the details of the principal activities</i>	<u>Substantial shareholder</u> TSSM <u>Nature of interest</u> Tradewinds Group (M) Sdn Bhd is a wholly-owned subsidiary of Restu Jernih Sdn Bhd. TSSM holds 100.0% equity interest in Restu Jernih Sdn Bhd, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Restu Jernih Sdn Bhd. TSSM is a director of Tradewinds Group (M) Sdn Bhd and Restu Jernih Sdn Bhd.	• Customer of port related services • Customer of storage services and rentals of properties
(iv)	Media Prima Omnia Sdn Bhd/ Other information service activities not elsewhere classified	<u>Substantial shareholder</u> TSSM <u>Nature of interest</u> Media Prima Omnia Sdn Bhd is a wholly-owned subsidiary of Media Prima Berhad, which in turn is a 31.9%-owned subsidiary of Aurora Mulia Sdn Bhd. TSSM holds 100.0% equity interest in Aurora Mulia Sdn Bhd.	• Supplier of advertisement services

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity / Principal activity⁽¹⁾	Directors and/or substantial shareholders / Nature of interest	Nature of transaction
(v)	Horsedale Development Berhad/ Property development, development and management of a golf resort and hotel	<u>Substantial shareholder</u> TSSM <u>Nature of interest</u> Horsedale Development Berhad is a 70.0%-owned subsidiary of Puncak Permai Sdn Bhd and a 30.0%-owned subsidiary of Prisma Dimensi Sdn Bhd. Puncak Permai Sdn Bhd is a 58.0%-owned subsidiary of Prisma Dimensi Sdn Bhd, which in turn is a wholly-owned subsidiary of Kelana Ventures Sdn Bhd. TSSM holds 100.0% equity interest in Kelana Ventures Sdn Bhd, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Kelana Ventures Sdn Bhd.	• Supplier of club membership, food and beverages
(vi)	Danau Permai Resort Berhad/ Proprietary of a club and the management of a golf course	<u>Substantial shareholder</u> TSSM <u>Nature of interest</u> Danau Permai Resort Berhad is a wholly-owned subsidiary of Hicom-Gamuda Development Sdn Bhd, which in turn is a 50.00%-owned subsidiary of Horsedale Development Berhad. Horsedale Development Berhad is a 70.0%-owned subsidiary of Puncak Permai Sdn Bhd and a 30.0%-owned subsidiary of Prisma Dimensi Sdn Bhd. Puncak Permai Sdn Bhd is a 58.0%-owned subsidiary of Prisma Dimensi Sdn Bhd, which in turn is a wholly-owned subsidiary of Kelana Ventures Sdn Bhd. TSSM holds 100.0% equity interest in Kelana Ventures Sdn Bhd, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Kelana Ventures Sdn Bhd.	• Supplier of club membership

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity / Principal activity ⁽¹⁾	Directors and/or substantial shareholders / Nature of interest	Nature of transaction
(vii)	Percetakan Nasional Malaysia Berhad and its subsidiary, PNMB InnoVentures Sdn Bhd/ <i>Refer to note (5) for the details of the principal activities</i>	Substantial shareholder TSSM Nature of interest Percetakan Nasional Malaysia Berhad is a wholly-owned subsidiary of Sutera Bakti Sdn Bhd, which in turn is a wholly-owned subsidiary of Tradewinds Group (M) Sdn Bhd. Tradewinds Group (M) Sdn Bhd is a wholly-owned subsidiary of Restu Jernih Sdn Bhd. TSSM holds 100.0% equity interest in Restu Jernih Sdn Bhd, while his spouse, Puan Sri Sharifah Zarah binti Syed Kechik Albukhary, holds one ordinary share in Restu Jernih Sdn Bhd.	• Supplier of printing services and subscription for electronic document management system • Supplier of service digital imaging and archiving of documents

Notes:

- (1) The principal activities are based on, amongst others, the annual reports of certain of the abovementioned companies, companies searches and/or other equivalent documents, such as, but not limited to, annual returns, wherever relevant.
- (2) Refers to the following subsidiaries and associates of MMC Corp, where the principal activities of the individual subsidiaries and associates of MMC Corp are as follows:

Subsidiaries

- (a) Aliran Ihsan Resources Berhad – Investment holding, provision of services related to water treatment and reduction of non-revenue water and of operation, maintenance and management of water treatment plants.
- (b) Aliran Utilities Sdn Bhd – Investment holding, water treatment, rehabilitation of water treatment plants and construction of water works.
- (c) Aliran Water Services Sdn Bhd – Provision of services related to water treatment and non-revenue water.
- (d) Kontena Nasional – Haulage of containers, warehousing and provision of freight forwarding services.
- (e) Kontena Nasional Global Logistics Sdn Bhd – Provision of freight forwarding services.
- (f) KTMB MMC Cargo Sdn Bhd – Rail freight transport and related businesses in the rail cargo sector such as forwarding, shipping and chartering agents.
- (g) MMC Engineering Sdn Bhd – Specialised engineering and construction works.

11. CONFLICT OF INTEREST (Cont'd)

Associates

- (a) *Alam Flora Environmental Solutions Sdn Bhd – Provision of integrated solid waste management services, recycling and integrated facility management services.*
- (b) *Gas Malaysia Green Ventures Sdn Bhd – Producing, trading compressed biomethane, compressed natural gas and other green gas energy, including purchasing, selling, supplying, distributing and providing sustainable environmental certification subscription.*
- (c) *Malakoff Radiance Sdn Bhd – Operation of generation facilities that produce electric energy.*
- (3) *Refers to the following subsidiaries of DRB-HICOM Berhad, where the principal activities of the individual subsidiaries are as follows:*
 - (a) *Aman Freight (Malaysia) Sdn Bhd – Provision of freight and forwarding and other related services.*
 - (b) *Automotive Corporation (Malaysia) Sdn Bhd – Dealers of motor vehicles, related spare parts, accessories and related services.*
 - (c) *DRB-HICOM Auto Solutions Sdn Bhd – Importation of motor vehicles, logistics, vehicle pre-delivery inspection providing related services to vehicles at its pre-delivery inspection centre and the sale of contractual vehicles.*
 - (d) *Edaran Otomobil Nasional Berhad – Retailer of Proton motor vehicles and its related spare parts including servicing of motor vehicles, retailer of electric vehicles and its related spare parts including servicing of electric vehicles, investment holding company (with investments in automotive sales, after sales services, leasing, fleet solutions, logistics and pre-delivery inspection services), and wholesale and retail of used motor vehicles.*
 - (e) *EON Auto Mart Sdn Bhd – Sales and marketing of motor vehicles and related spare parts as well as the provision of after sales service for Mitsubishi motors products.*
 - (f) *KP Asia Auto Logistics Sdn Bhd – Warehousing and inventory solutions, forwarding, shipping and transport agent.*
 - (g) *Pos Logistics Berhad – Provision of total logistics services and inventory solutions.*
 - (h) *Proton Edar Sdn Bhd – Sale of motor vehicles and related spare parts and accessories, business of assemblers of motor vehicles and all kinds of the carriage of passengers and goods, to buy, sell, repair, let to hire, alter and deal in motor cars, machineries, parts accessories and fittings of all kinds of motors.*
 - (i) *PUSPAKOM Sdn Bhd – Inspection of commercial vehicles for roadworthiness and the inspection of other vehicles.*

11. CONFLICT OF INTEREST (Cont'd)

- (4) *Refers to the following subsidiaries of Tradewinds Group (M) Sdn Bhd, where the principal activities of the individual subsidiaries are as follows:*
- (a) *Central Sugars Refinery (Padang Terap) Sdn Bhd – Refining of raw sugar.*
 - (b) *Padiberas Nasional Berhad – Procuring, collecting, processing, importing, exporting, purchasing, storing, packaging, distributing of rice, paddy and other grains, seed production, paddy farming, paddy procurement, paddy processing, rice processing and rice storage, distribution and marketing of rice research and development.*
- (5) *Refers to Percetakan Nasional Malaysia Berhad and its subsidiary, PNMB InnoVentures Sdn Bhd, where the principal activities of Percetakan Nasional Malaysia Berhad and PNMB InnoVentures Sdn Bhd are as follows:*
- (a) *Percetakan Nasional Malaysia Berhad: Printers for government agencies and commercial sectors.*
 - (b) *PNMB InnoVentures Sdn Bhd: Provision of precise positioning, location-based and tracking, assets and data management, data transmission, system and services, research and development.*

Notwithstanding the above, our Board is of the view that any potential conflict of interest situation which may arise through the interests of our Directors and substantial shareholder in other entities which are our customers and/or suppliers (collectively referred to as “**Related Customers**” and/or “**Related Suppliers**”) is mitigated due to the following:

- (a) the Related Customers and Related Suppliers are not in competition with our business and operations as we are not involved in the business of the Related Customers, and we only purchase goods or services from the Related Suppliers;
- (b) all sales to and purchases from the Related Customers and Related Suppliers are transacted on an arm's length basis and on normal commercial terms which are not more favourable to them than those generally available to third parties;
- (c) we are not dependent on any of the Related Customers and none of them are our Group's major customers. For the FYE 31 December 2022 to FYE 31 December 2024, the aggregate sales to the Related Customers represents approximately 0.4% of our Group's total revenue;
- (d) we are not dependent on any of the Related Suppliers and none of them are the Group's major suppliers. For the FYE 31 December 2022 to FYE 31 December 2024, the total purchases from the Related Suppliers represents approximately 5.3% of our Group's total operating expenditure;

11. CONFLICT OF INTEREST (Cont'd)

- (e) in addition, the involvement of our Directors and/or substantial shareholders in the Related Customers and Related Suppliers does not affect their contributions to our Group as:
- i. TSSM is not involved in the day-to-day operations of any of the Related Customers and/or the Related Suppliers (collectively, “**Related Entities**”) as the Related Entities are managed by their own respective management team. In addition, he is not our Director and thus is not involved in the day-to-day operations of our Group;
 - ii. TSCK, our Non-Independent Non-Executive Director, is holding a non-executive role in our Group and thus are not involved in the day-to-day operations of our Group; and
 - iii. Sharifah Sofia binti Syed Mokhtar Shah, our Non-Independent Non-Executive Director, is not involved in the day-to-day operations of any of the Related Entities as the Related Entities are managed by their own respective management team. In addition, she is holding a non-executive role in our Group and thus is not involved in the day-to-day operations of our Group; and
- (f) TSCK, Sharifah Sofia binti Syed Mokhtar Shah and persons connected to them will abstain from deliberation and voting at Board meetings in relation to any transaction with the Related Entities, if any.

Our Audit Committee will review any conflict of interest situation that may arise within our Company or our Group including such transaction, procedure or course that raises questions on management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts to ensure that any such transactions are carried out on terms that are not detrimental to our Group and is in the best interest of our Group. Any future dealings with parties in which our Directors and/or substantial shareholders have interest, direct or indirect, will be based on established procedures for related party transactions to ensure that they are carried out on an arm's length basis and in accordance with the Listing Requirements in respect of related party transactions.

11. CONFLICT OF INTEREST (Cont'd)

11.2 DECLARATION BY ADVISERS ON CONFLICTS OF INTEREST

11.2.1 Declaration by CIMB

CIMB, being the Principal Adviser for our Listing and the Joint Global Coordinator, Joint Bookrunner, Sole Managing Underwriter and Joint Underwriter for our IPO, as well as its holding company, CIMB Group form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the CIMB Group generally acting independently of each other, and accordingly, there may be situations where parts of the CIMB Group and/or its customers now or in the future, may have interest or take actions that may conflict with the interest of our Group.

As at the LPD, the CIMB Group has, as part of its ordinary course of business, granted various credit facilities and issuer limit with combined limit of up to approximately RM5.6 billion to Seaport Terminal Group. The CIMB Group has extended a total of approximately RM167.5 million facilities to Seaport Terminal Group, in the form of credit facilities, multi option lines, corporate card solutions facilities and foreign exchange contract limit as part of its ordinary course of business, out of which RM72.9 million is outstanding as at the LPD. In addition, CIMB Group subscribed to fixed-income securities issued by Seaport Terminal Group and is among the subscribers of certain fixed-income securities issued by the Seaport Terminal Group, amounting to approximately RM2.3 billion as at the LPD.

CIMB is of the view that the abovementioned extension of facilities and subscription to fixed-income securities does not give rise to a conflict of interest situation in its capacity as the Principal Adviser for our Listing and the Joint Global Coordinator, Joint Bookrunner, Sole Managing Underwriter and Joint Underwriter for our IPO and any potential conflict of interest that exists or is likely to exist in relation to the aforementioned capacity is mitigated by the following:

- (i) CIMB is a licensed investment bank and its appointment as the Principal Adviser for our Listing and the Joint Global Coordinator, Joint Bookrunner, Sole Managing Underwriter and Joint Underwriter for our IPO is in the ordinary course of its business and CIMB does not receive or derive any financial interest or benefits save for the professional fees received in relation to the aforementioned appointment for our Listing and our IPO;
- (ii) CIMB Bank Berhad is a licensed commercial bank and the extension of the aforesaid facilities to our Group and subscription to fixed-income securities issued by Seaport Terminal Group arose in the ordinary course of its business;
- (iii) the conduct of the CIMB Group in its banking business is strictly regulated by, amongst others, the Financial Services Act 2013, Islamic Financial Services Act 2013, the CMSA and the CIMB Group's own internal controls and checks;

11. CONFLICT OF INTEREST (Cont'd)

- (iv) the total aggregate outstanding amount owed by the Seaport Terminal Group to the CIMB Group as at the LPD together with the subscription amount to the fixed-income securities issued by the Seaport Terminal Group are not material when compared to the audited NA of the CIMB Group as at 31 December 2024 of approximately RM69.2 billion; and
- (v) CIMB is required under its investment banking license to comply with applicable laws, regulations and guidelines issued by the relevant authorities governing its advisory business, which require, amongst others, segregation between dealing and advisory activities, implementation of "Chinese Wall" policies between different business divisions and the formation of an independent committee to review its business operations.

Accordingly, CIMB confirms that there is no conflict of interest situation in its capacity as the Principal Adviser for our Listing and the Joint Global Coordinator, Joint Bookrunner, Sole Managing Underwriter and Joint Underwriter for our IPO.

11.2.2 Declaration by HSBC

HSBC's holding company, HSBC Group may engage in transactions with, and perform services for our Group, the Selling Shareholder and their respective affiliates and the Promoters in the ordinary course of business and have engaged, and/or may in the future engage, in commercial banking and investment banking transactions, including providing loans or entering into other financing arrangements, with our Group, the Selling Shareholder and their respective affiliates and the Promoters, for which the HSBC Group has received, or may in the future receive, customary compensation.

HSBC confirms that notwithstanding the above, there is no conflict of interest which prevents HSBC from acting in its capacity as the Joint Global Coordinator and Joint Bookrunner in relation to the Institutional Offering outside of Malaysia.

11.2.3 Declaration by PricewaterhouseCoopers PLT

PricewaterhouseCoopers PLT confirms that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants to our Company in relation to our IPO.

11.2.4 Declaration by Lee Choon Wan & Co.

Lee Choon Wan & Co. confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to Malaysian law in relation to our IPO.

11.2.5 Declaration by Latham & Watkins LLP

Latham & Watkins LLP confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to United States federal securities law and English law in relation to our IPO.

11.2.6 Declaration by Kadir Andri & Partners

Kadir Andri & Partners confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators, Joint Bookrunners, Sole Managing Underwriter and Joint Underwriters as to Malaysian law in relation to our IPO.

11.2.7 Declaration by Baker & McKenzie, Wong & Leow

Baker & McKenzie, Wong & Leow confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators and Joint Bookrunners as to United States federal securities law and English law in relation to our IPO.

11. CONFLICT OF INTEREST *(Cont'd)*

11.2.8 Declaration by Drewry Maritime Services (Asia) Pte Ltd

Drewry Maritime Services (Asia) Pte Ltd confirms that there is no conflict of interest in its capacity as the IMR in relation to our IPO.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

The historical financial information for the Financial Years Under Review presented below have been extracted from the Accountants' Report included in Section 13 of this Prospectus.

Our historical consolidated financial statements have been prepared in accordance with MFRS.

There are no accounting policies which are peculiar to our Group because of the nature of the business and industry that we are involved in.

The following historical financial information should be read in conjunction with the *"Management's discussion and analysis of financial condition and results of operations"* set out in Section 12.2 of this Prospectus and the Accountants' Report set out in Section 13 of this Prospectus.

Selected financial information from the consolidated statements of comprehensive income

	FYE 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Revenue	4,058,078	3,961,040	4,356,507
Other operating income	88,860	203,929	48,584
Operating expenditure			
- employees' benefits expense	(890,442)	(958,104)	(1,033,271)
- depreciation of property, plant and equipment, right-of-use assets and investment properties	(505,899)	(487,257)	(501,640)
- amortisation of concession assets and intangible assets	(214,505)	(205,399)	(213,216)
- fuel and utilities	(360,429)	(348,662)	(345,224)
- repairs and maintenance	(299,604)	(281,867)	(347,232)
- Construction Contract Cost	(187,243)	(114,249)	(227,228)
- others	(569,141)	(506,543)	(431,065)
Net (provision)/reversal of impairment losses on trade and other receivables	(1,296)	(10,794)	805
Operating profit	1,118,379	1,252,094	1,307,020
Share of results of an associate	1,111	986	282
Share of results of joint ventures	35,785	7,576	5,453
Profit before interest and tax	1,155,275	1,260,656	1,312,755
Finance income	54,849	77,537	68,281
Finance costs	(380,584)	(392,239)	(390,363)
PBT	829,540	945,954	990,673
Zakat expense	(5,131)	(1,845)	(4,427)
Taxation	(254,545)	(138,647)	(225,127)
Profit for the financial year	569,864	805,462	761,119
Profit attributable to:			
- Owner of our Company	471,816	701,127	636,560
- Non-controlling interests	98,048	104,335	124,559

12. FINANCIAL INFORMATION (Cont'd)

	FYE 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Supplementary financial information			
Cost of goods sold ⁽¹⁾	2,456,354	2,381,350	2,566,718
Cost of goods sold (excluding Construction Contract Cost) ⁽¹⁾	2,269,111	2,267,101	2,339,490
GP ⁽¹⁾⁽²⁾	1,601,724	1,579,690	1,789,789
GP margin ⁽³⁾ (%)	39.5	39.9	41.1
GP margin (excluding Construction Contract Revenue) ⁽³⁾ (%)	41.4	41.1	43.3
Operating profit margin ⁽⁴⁾ (%)	27.6	31.6	30.0
Operating profit margin (excluding Construction Contract Revenue) ⁽⁴⁾ (%)	28.9	32.5	31.7
EBITDA ⁽⁵⁾	1,870,548	1,951,467	2,023,184
EBITDA margin ⁽⁶⁾ (%)	46.1	49.3	46.4
EBITDA margin (excluding Construction Contract Revenue) ⁽⁶⁾ (%)	48.3	50.7	49.0
PBT margin ⁽⁷⁾ (%)	20.4	23.9	22.7
PBT margin (excluding Construction Contract Revenue) ⁽⁷⁾ (%)	21.4	24.6	24.0
PATAMI margin ⁽⁸⁾ (%)	11.6	17.7	14.6
PATAMI margin (excluding Construction Contract Revenue) ⁽⁸⁾ (%)	12.2	18.2	15.4
Basic/Diluted EPS (sen) ⁽⁹⁾	3.3	4.9	4.5

Notes:

- (1) Under MFRS 101 - Presentation of Financial Statements, companies may choose to present their consolidated statements of profit or loss, and other comprehensive income based on the nature-based or function-based classification of expenses.

In our consolidated statements of comprehensive income, expenses are grouped and disclosed based on the nature of the expenses instead of the function to which the expenses relate. As such, our consolidated statements of comprehensive income do not present cost of goods sold and GP. Cost of goods sold and GP data disclosed in this Prospectus have been derived from our unaudited consolidated management accounts.

- (2) Calculated as revenue less cost of goods sold.
- (3) Calculated as GP divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (4) Calculated as operating profit divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.

12. FINANCIAL INFORMATION (Cont'd)

- (5) Calculated as profit for the financial year plus (i) taxation; (ii) finance costs; and (iii) depreciation and amortisation, less (v) finance income.

The following table reconciles our profit for the financial year to EBITDA for the financial years indicated:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Profit for the financial year	569,864	805,462	761,119
Add/(Less):			
Taxation	254,545	138,647	225,127
Finance costs	380,584	392,239	390,363
Depreciation and amortisation	720,404	692,656	714,856
Finance income	(54,849)	(77,537)	(68,281)
EBITDA	1,870,548	1,951,467	2,023,184

- (6) Calculated as EBITDA divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (7) Calculated as PBT divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (8) Calculated as PATAMI divided by revenue or, where indicated, revenue excluding Construction Contract Revenue.
- (9) Calculated as PATAMI divided by our issued Shares of 14,240,000,000 Shares upon our Listing.

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12. FINANCIAL INFORMATION (Cont'd)**Selected financial information from the consolidated statements of financial position**

	As at 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Total non-current assets	13,848,353	12,865,779	12,700,599
Total current assets	2,490,886	2,387,223	2,661,777
Total assets	16,339,239	15,253,002	15,362,376
Total non-current liabilities	8,263,143	7,880,543	7,568,412
Total current liabilities	1,506,934	1,593,618	1,993,239
Total liabilities	9,770,077	9,474,161	9,561,651
Net assets	6,569,162	5,778,841	5,800,725
Net current assets/(liabilities)	983,952	793,605	668,538
Share capital	4,614,402	3,546,417	3,560,000
Other reserves ⁽¹⁾	730,418	736,210	704,400
Retained profits	392,395	652,401	657,888
Equity attributable to:			
- Owners of our Company	5,737,215	4,935,028	4,922,288
- Non-controlling interests	831,947	843,813	878,437
Total equity	6,569,162	5,778,841	5,800,725
Supplementary financial information			
Total borrowings	5,523,408	5,375,659	5,365,050
Gearing ratio ⁽²⁾ (times)	0.8	0.9	0.9

Notes:

(1) Reserves other than retained profits.

(2) Calculated as total borrowings divided by total equity as at the end of the financial years.

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12. FINANCIAL INFORMATION (Cont'd)

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our Group's financial condition and results of operations is based on our historical consolidated financial information with respect to the Financial Years Under Review, which have been extracted from the Accountants' Report set out in Section 13 of this Prospectus.

For further details on the significant accounting policies of our Group, see Note 2 of the Accountants' Report in Section 13 of this Prospectus.

12.2.1 Overview

We are Malaysia's largest container port operator and the country's leading container hub for transshipment and gateway cargo, according to Drewry. We handle a wide range of container and conventional cargo and provide a balanced mix of transshipment and gateway services across our operations on the west coast of Peninsular Malaysia. We operate five sea ports and a solid product jetty terminal and conduct STS services at an offshore port. We provide marine services and operate free zones in the water limits and land around our ports. We also operate three cruise terminals.

Our five sea ports are PTP, Johor Port, Northport, Penang Port and Tanjung Bruas Port. Our ports provides a mix of container, conventional cargo, marine and other services that are tailored to their business and customers.

We provide port facilities and services for cruise ships through our three cruise terminals, SPCT, PKCT and LCT.

For the FYEs 31 December 2022, 31 December 2023 and 31 December 2024, we generated revenue of RM4,058.1 million, RM3,961.0 million and RM4,356.5 million, respectively, and PATAMI of RM471.8 million, RM701.1 million and RM636.6 million, respectively.

For further information on our business, see Section 7 of this Prospectus.

12.2.2 Significant factors affecting our financial condition and results of operations

Our financial condition and results of operations have been and are expected to be, affected by a number of factors, including those set out below.

(i) Throughput volume

Our financial performance and results of operations are affected by throughput volume at our ports, which in turn is affected by global trade activity, domestic trade activity and long-term relationships between us and our customers and among our customers.

(a) Global trade activity

Global trade volumes and global import and export activity affect throughput at our ports due to the strategic position of our ports as regional transshipment hubs for shipping lines and box operators. In turn, global trade volumes are significantly impacted by economic, financial, and political factors around the world, including, for example, favourable macroeconomic policies that promote international trade as well as, conversely, disruptive events such as the Red Sea crisis, the potential resumption of the U.S.-China trade war, and the ongoing Russia-Ukraine war.

For the FYEs 31 December 2022, 31 December 2023 and 31 December 2024, we had transshipment container throughput of 11.4 million, 11.5 million, and 13.5 million TEUs, respectively.

12. FINANCIAL INFORMATION (Cont'd)**(b) Domestic trade activity**

Changes in Malaysia's GDP, domestic economy and domestic economic conditions are key factors that affect the volume of local import and export cargoes that are handled by our ports. Therefore, factors that affect the Malaysian economic generally influence our results of operations.

For the FYEs 31 December 2022, 31 December 2023 and 31 December 2024, we had import/export container throughput of 4.5 million, 4.6 million, and 5.0 million TEUs, respectively.

(c) Customer relationships and alliances

Our throughput volumes and revenues are dependent on our relationships with our customers as well as our customers' relationships with each other. We have long-standing relationships with many of our customers. The length of our relationships with each of our major customers since the formation of the Group reflects a long-standing relationship, which has brought predictability to our results of operations.

Our throughput volumes and revenues are also dependent on relationships among our customers, and our financial performance and results of operations are influenced by such relationships. These relationships enhance our service capabilities and operational efficiencies by optimising resource allocation, improving scheduling, and facilitating better connectivity, enabling us to meet the needs of our customers. The effectiveness of these relationships is affected by various operational, market, and industry factors, both regionally and globally.

In 2015, Maersk and MSC agreed to a 10-year container shipping line vessel sharing arrangement, which became known as the "2M alliance". Accordingly, in each of the Financial Years Under Review, our top two customers were Maersk and MSC. Maersk has entered into a new cooperation arrangement with Hapag-Lloyd AG, known as the "Gemini Cooperation", that took effect in February 2025 and marked the end of the 2M alliance. Accordingly, we expect a shift in our throughput volumes and revenues in the future, with an increase in throughput from Hapag-Lloyd and a decrease in throughput from MSC, in addition to a continuing customer relationship Maersk (who are affiliated with APM Terminals B.V., a wholly-owned subsidiary of A.P.Moller – Maersk A/S, which holds a 30.0% stake in PTPSB, our 70.0%-owned subsidiary that operates PTP).

(ii) Competition from other regional port operators

We face competition from port operators in Singapore and Malaysia, namely Port of Singapore and Westports. Port operators compete for throughput based on several key factors: capacity, operational efficiency, pricing, and the connectivity.

(a) Capacity

Our five sea ports have aggregate capacity of 23.5 million TEUs for container handling and 47.8 million FWT for conventional cargo handling, as of 31 December 2024. For the FYE 31 December 2024 and from 1 January 2025 to the LPD, all of our ports had additional available capacity. For further details, see Section 7.5.2 of this Prospectus. When a port has available capacity, it is able to attract new customers or to accept additional volume from existing customers as their requirements evolve and increase over time. This translates to increasing throughput and, in turn, drives growth in our revenues, variable costs such as fuel and capital requirements.

12. FINANCIAL INFORMATION (Cont'd)**(b) Operational efficiency**

Our ability to reduce or manage increases in our cost base affects our margins and profitability. We seek to achieve optimal operating efficiency by fully utilising our existing assets and capacity within our ports, providing quick cargo handling and fast vessel turnaround and minimising cargo losses, while increasing throughput.

Our ability to maintain operational efficiency while prudently increasing vessel calls and throughput over the Financial Years Under Review has contributed to strong revenue performance during disruptive economic events in the past. For example, in the FYE 31 December 2024, container throughput at our sea ports increased to 18.5 million TEUs from 15.9 million TEUs in the FYE 31 December 2022, largely due to our ability to successfully manage increased demand driven by global shipping diversions and disruptions caused by hostilities towards commercial shipping vessels in the Red Sea.

We enhance our operational efficiency through various measures, including:

- introducing new technologies to expedite berthing processes and reduce port stays and turnaround times;
- improving portside support to ensure that containers and cargo are transported to and from our terminals swiftly and efficiently;
- optimising berth utilisation by arranging berthing locations for ships of different sizes to ensure maximum use of berth length;
- managing the flow of traffic at our ports; and
- increasing the capacity of equipment and storage facilities.

(c) Pricing

Our ability to attract and retain customers depends on the pricing that we offer to customers. Generally, the prices we charge for our services depend on several factors, including: (i) whether the cargo is for transshipment or import/export; (ii) the type of containers or conventional cargo handled; and (iii) the type of services provided, such as loading and unloading of containers and the transfer of containers both within and out of the terminal. For details on risks related to pricing, please refer to Section 5.1.9 of this Prospectus.

(d) Connectivity

Connectivity is a significant factor in shipping lines selecting a port for transshipment cargo movement. Adequate and efficient connectivity allows shippers to reduce shipping time and maintain more frequent connections, among other benefits. Efficient transshipment connectivity largely relies on feeder services, which manage the movement of transshipment cargo. Therefore, maintaining positive relationships and arrangements with third-party feeder service providers is crucial to ensuring that feeder services at our port remain attractive to shipping lines.

Additionally, import/export connectivity - specifically proximity and intermodal connections via road, rail, and air to hinterlands - also impacts our operational results. The strategic location of our ports, which are in close proximity to the main shipping route along the Strait of Malacca offers us connectivity throughout Malaysia and the region. For details on our port location, please refer to Section 7.5.1 of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)**(iii) Costs of operations**

Our primary operational costs are related to expenses such as employee costs, fuel and utilities and depreciation and amortisation.

(a) Employees' benefits expense

A significant portion of our operating expenditure is related to employees' benefits. For the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, our employees' benefits expense reported as operating expenditure were 29.4%, 33.0% and 33.3% of our total operating expenditure, respectively.

(b) Fuel and utilities costs

Fuel and utilities costs represented 11.9%, 12.0% and 11.1% of our total operating expenditure for the FYEs 31 December 2022, 31 December 2023, and 31 December 2024, respectively. Fuel prices in Malaysia fluctuate in accordance with global oil prices and the strength of the Malaysian Ringgit. Increases in fuel prices and our consumption generally cause increases in our fuel costs, while our GP margin is generally only adversely affected by increase in fuel prices.

(c) Depreciation and amortisation

Depreciation and amortisation primarily relate to depreciation of our properties, plant and equipment, right-of-use assets and investment properties, and the amortisation of concession assets and intangible assets, which stem from, among others, the relevant port infrastructure and facilities including land reclamation, wharves, jetties, terminal, paved areas and certain assets under construction, as well as the lease rental payables for the relevant port infrastructures and facilities under our Privatisation Agreements. Depreciation and amortisation of assets under construction begins only when the assets are ready for their intended use and is spread over its estimated useful lives or remaining concession period.

(iv) Impact of tax allowances

Income tax liability is a significant expense that affects our profit. When our revenue increases, our statutory income subject to income tax generally increases, which in turn results in higher income tax.

We benefit from the ITA, the IASS and similar incentives and accommodations that the Government of Malaysia provides from time to time to promote general economic growth and investments in selected industries. During the Financial Years Under Review, NMB, PTP and TBP have received the ITA, and PPSB has received the IASS, in each case for qualifying capital expenditures incurred for approved projects or service projects within certain tax assessment years. The amount is determined based on the qualifying capital expenditures incurred during specific years of assessment as determined by the relevant authority for each of the said entities, ranging from 2007 to 2027. These allowances allow us to recognise a deferred tax asset in the year that the allowance is granted. The amount is determined based on the amount of qualifying capital expenditures that we incur. We are entitled to set off these allowances against our statutory income, subject to a cap. Any unutilised ITA can be carried forward indefinitely until it is fully utilised, and any unutilised IASS can be carried forward for utilisation for up to seven consecutive assessment years, unless further extended by the relevant authority. For example, the expiry date of the unutilised IASS for PPSB has been extended to the year of assessment 2028. Any unutilised allowances are recognised as deferred tax assets and set off against future statutory income until the entire deferred portion has been fully recognised. Deferred tax assets on the

12. FINANCIAL INFORMATION (Cont'd)

allowances are recognised to the extent that it is probable that future taxable profit will be available against which the allowances can be utilised as at each reporting date. In any given year, the recognition of ITA and IASS as deferred tax assets has the effect of reducing our total taxation for that year, and the utilisation of deferred tax assets as a set-off against statutory income is recorded as a charge to profit and loss and has the effect of reducing the portion of our total tax liability that is current income tax due and ultimately lowering our amount of income tax paid in cash.

12.2.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires our Directors to exercise their judgement in the process of applying our accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed below.

Estimates and judgements are continually being evaluated by our Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

We make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact on our results and financial position are tested for sensitivity to changes in the underlying parameters.

We believe that there are no significant areas of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognised in our financial statements, other than those as set out below.

(i) Income tax

Income taxes are estimated based on the rules governed under the Income Tax Act, 1967.

Differences in determining the capital allowances, deductibility of certain expenses and subsequent utilisation of ITA may arise during the estimation of the provision for income taxes between tax calculated at the reporting date, and the final submission to the tax authorities as a result of obtaining further detailed information that may become available subsequent to the reporting date. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax provisions and deferred tax balance in the financial period in which such determination is made.

Our Group has been granted ITA on qualifying capital expenditure incurred for the expansion and upgrade of existing port facilities from year of assessment 2023 to year of assessment 2027, subject to meeting the ITA conditions, failing which, the Inland Revenue Board of Malaysia has the right to withdraw all ITA claims. As at 31 December 2024, our Group considers that it is probable that the ITA will be available on the basis that our Group expects to continuously fulfil the conditions to support the ITA claims in the provisional tax computation and the recognition of deferred tax assets for the unused ITA. Details of the ITA are disclosed in Note 9 of the Accountants' Report in Section 13 of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Deferred tax assets**

Deferred tax assets are recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the future taxable profit together with future tax planning strategies. Details of the deferred tax assets are disclosed in Note 31 of the Accountants' Report in Section 13 of this Prospectus.

(iii) Sales and service tax

The Service Tax (Imposition of Tax for Taxable Service in respect of Designated Areas and Special Areas) Order 2018 (by virtue of section 51 and 56 of the Service Tax Act 2018) has been amended to impose service tax on logistic services provided in designated area and special area effective from 1 March 2024.

Under the Service Tax Policy 4/2024 issued in March 2024, the MOF has granted a sales and service tax exemption on logistic services provided within or between designated area or special area. However, in August 2024, the Royal Malaysian Customs Department issued the Service Tax Policy 4/2024 (Amendment) to clarify that the conditions for the service tax exemption would only be applicable where the 'principal place of business' of both the service provider and the service recipient is located in designated area or special area. This amendment is assumed to be effective from 1 March 2024.

In assessing the potential service tax exposure for our Group for the FYE 31 December 2024, our Group has applied judgement that the logistic services provided to customers would be eligible for service tax exemption under item 5 of the Service Tax (Persons Exempted from Payment of Tax) Order 2018 (i.e. business-to-business exemption) and the conditions of the B2B exemptions have been met by the recipients of the logistic services provided. Our Group is of the view the total potential exposure for service tax considering the service provided under B2B exemption is not material for the FYE 31 December 2024.

In the absence of the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM128.6 million inclusive of a late payment penalty of RM36.7 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM64.8 million inclusive of a late payment penalty of RM18.5 million from 1 January 2025 until the LPD, based on the maximum penalty rate of 40.0%. If imposed, these liabilities would have a material adverse impact on the financial condition of our Group. However, the likelihood of not qualifying for the B2B exemption is considered low. This assessment is based on customer feedback conducted by our Group, where the majority of our customers indicated that they satisfy the criteria for the B2B exemption. Their responses formed the basis for estimating the potential service tax liabilities with the B2B exemption factored in, as set out below. In view of the foregoing, our Board is of the view that the materiality of this risk is mitigated.

Applying the B2B exemption, the potential service tax liabilities payable by our Group which, as at the LPD, is estimated at (i) RM18.1 million inclusive of a late payment penalty of RM5.2 million for the period from effective date of 1 April 2024 to 31 December 2024; and (ii) RM13.4 million inclusive of a late payment penalty of RM3.8 million from 1 January 2025 until the LPD, based on the maximum penalty rate of 40.0%. Our Board is of the view that the aforesaid estimated service tax liabilities under B2B exemption (including any late payment penalties), if imposed, will not have a material adverse impact on the business operations and financial condition of our Group.

12. FINANCIAL INFORMATION (Cont'd)

The estimated potential service tax liabilities, if crystallised on LPD, would directly reduce the equity value derived from the discounted cash flow model, as these liabilities represent cash outflows that reduce the Group's available cash and, consequently, its valuation. However, the effect on valuation set out below is purely academic, in view that the expected market capitalisation upon Listing is determined through the bookbuilding process.

- (i) Without the B2B exemption, the total estimated liabilities amounting to RM193.4 million would, if settled, theoretically reduce equity value by the same amount; and
- (ii) With the B2B exemption, the total estimated liabilities amounting to RM31.5 million would, if settled, theoretically reduce equity value by that same amount.

12.2.4 Results of operations**(i) Principal components of our consolidated statements of comprehensive income****Revenue**

We generate revenue from our port operations and from other sources. Our port and terminal operating revenue consists of revenue from four services/functions: (a) container cargo, (b) conventional cargo, (c) marine service and; (d) others. Our revenue from other sources primarily consists of (a) Construction Contract Revenue, (b) logistics and freight forwarding revenue from our former subsidiary, Kontena Nasional, which was fully divested in February 2024, and (c) rental income related to the leasing of other warehouses to the tenants.

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12. FINANCIAL INFORMATION

The table below provides a breakdown of our revenue for the Financial Years Under Review, including further breakdown of the port and terminal operating revenue by port operating subsidiaries. For a full breakdown, see Note 4 of the Accountants' Report in Section 13 of this Prospectus.

	FYE 31 December					
	2022		2023		2024	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Container	2,596,468	64.0	2,539,425	64.1	2,873,006	66.0
PTP	1,402,051	34.5	1,357,602	34.3	1,589,985	36.5
JPB	235,395	5.8	243,013	6.1	261,609	6.0
NMB	591,261	14.6	533,502	13.5	623,088	14.3
PPSB	350,343	8.6	382,300	9.7	377,971	8.7
TBP	3,015	0.1	887	0.0	2,832	0.1
Others and inter segment eliminations	14,403	0.4	22,121	0.6	17,521	0.4
Conventional	402,621	9.9	402,011	10.2	438,553	10.1
JPB	194,352	4.8	189,978	4.8	207,149	4.8
NMB	144,758	3.6	148,552	3.8	168,428	3.9
PPSB	55,635	1.4	53,572	1.4	53,749	1.2
TBP	7,876	0.2	9,909	0.3	9,227	0.2
Marine	467,055	11.5	492,481	12.4	511,394	11.7
PTP	226,232	5.6	204,585	5.2	212,170	4.9
JPB	169,994	4.2	206,679	5.2	214,160	4.9
NMB	37,385	0.9	43,028	1.1	45,845	1.1
PPSB	27,265	0.7	31,934	0.8	33,343	0.8
TBP	6,179	0.2	6,255	0.2	5,876	0.1
Others	189,885	4.7	195,029	4.9	209,679	4.8
PTP	17,357	0.4	17,085	0.4	21,116	0.5
JPB	27,208	0.7	30,562	0.8	26,907	0.6
NMB	51,562	1.3	41,083	1.0	45,520	1.0
PPSB	17,888	0.4	26,379	0.7	24,864	0.6
TBP	811	0.02	1,011	0.03	1,113	0.03
Others and inter segment eliminations	75,059	1.8	78,909	2.0	90,159	2.1
Port and terminal operating revenue	3,656,029	90.1	3,628,946	91.6	4,032,632	92.6

12. FINANCIAL INFORMATION *(Cont'd)*

	FYE 31 December					
	2022		2023		2024	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Construction contracts	187,243	4.6	114,249	2.9	227,228	5.2
Logistics and freight forwarding	140,700	3.5	140,665	3.6	26,665	0.6
Rental income	74,106	1.8	77,180	1.9	69,982	1.6
Total revenue	4,058,078	100.0	3,961,040	100.0	4,356,507	100.0

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12. FINANCIAL INFORMATION

Port and terminal operating revenue

Port and terminal operating revenue consists of the following:

- *Container.* Container revenue is generated primarily from terminal handling charges that we charge customers for loading, unloading, and storing shipping containers. Our container services include transshipment services which involve transferring containers from one vessel to another at the terminal en route to their final destination, as well as import/export handling of containers originating from and destined for the ports' hinterland. All five of our sea ports generate container revenue.
- *Conventional.* Conventional revenue is generated primarily from cargo handling charges that we charge customers for loading, unloading, and storing conventional cargo. The types of conventional cargo that we handle are dry bulk, liquid bulk, break bulk and RORO cargo. Conventional cargo represents the majority of total cargo handled at four of our five ports, namely Johor Port, Penang Port, Northport and Tanjung Bruas Port.
- *Marine.* Marine revenue is generated from a range of marine services that we provide at our ports and throughout the port water limits surrounding our ports. Marine services include pilotage services, towing, pilot boats, tug assistance, vessel coordination and traffic monitoring.
- *Others.* Other revenue primarily includes revenue from STS services and cruise, ferry and solid product jetty terminal.

Other revenue sources

Revenue from other sources consists of the following:

- *Construction contracts.* Included in revenue is Construction Contract Revenue and this relates to revenue recorded in accordance with MFRS 15 – Revenue from Contract with Customers as stated in IC Interpretation 12 in relation to the construction or upgrade of the port and terminal infrastructure under concession. In accordance with IC Interpretation 12, because we do not have the right to control the use of the ports and terminals and instead have access to operate the ports and terminals pursuant to long-term concession arrangements, the ports and terminals infrastructure within the scope of IC Interpretation 12 shall not be recognised as property, plant and equipment on our consolidated statements of financial position. Instead, as the operator of the ports and terminals under concession arrangements, we have the right to charge our customers for using the ports and terminals infrastructure, as such, the construction or upgrade of the port and terminal infrastructure under concession are to be recognised on our consolidated statements of financial position as concession assets, being intangible assets received for the right to charge users. As the Group performs the construction of port/terminal developments or upgrades, we recognise Construction Contract Revenue in our consolidated statements of comprehensive income in amounts that generally correspond to increased concession assets. The Group engages third parties to carry out most of its developments or upgrading works, and therefore its Construction Contract Revenue reported approximates our Construction Contract Costs.
- *Logistics and freight forwarding.* Logistics and freight forwarding revenue relates to haulage, freight forwarding and warehousing activities conducted by Kontena Nasional. We fully divested our interests in this company on 29 February 2024 and did not record any logistics and freight forwarding revenue in the FYE 31 December 2024 after that date. See Section 12.2.7 for further details.

12. FINANCIAL INFORMATION (Cont'd)

- *Rental income.* Rental income relates to the leasing of other warehouses to our tenants.

Other operating income

Other income includes primarily gain on disposal of property, plant and equipment, assets held for sale and investment properties, deposit forfeited, liquidated ascertained damages and other miscellaneous income such as scrap sales.

Operating expenditure

The components of our operating expenditure are set forth in the following table and described below.

	FYE 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Operating expenditure			
- employees' benefits expense	(890,442)	(958,104)	(1,033,271)
- depreciation of property, plant and equipment, right-of-use assets and investment properties	(505,899)	(487,257)	(501,640)
- amortisation of concession assets and intangible assets	(214,505)	(205,399)	(213,216)
- fuel and utilities	(360,429)	(348,662)	(345,224)
- repairs and maintenance	(299,604)	(281,867)	(347,232)
- Construction Contract Cost	(187,243)	(114,249)	(227,228)
- others	(569,141)	(506,543)	(431,065)

Operating expenditures consist of the following:

- *Employees' benefits expense:* Employees' benefits expense relates to wages, salaries and bonuses for our employees and contributions to the Employees' Provident Fund in Malaysia and defined benefit plans that we offer to our employees. Employees' benefit expense also includes other employee benefits, including medical expenses and allowances.
- *Depreciation of property, plant and equipment, right-of-use assets and investment properties:* Depreciation of property, plant and equipment, right-of-use assets and investment properties relates to cranes, RTGs, boats, vehicles and other infrastructure and equipment in our ports, right-of-use assets such as land and buildings, port facilities and infrastructure, machinery and equipment, vehicles and ferry equipment, and investment properties such as land, buildings and port structures.
- *Amortisation of concession assets and intangible assets:* Amortisation of concession assets and intangible assets relates to our rights over port assets and infrastructure under our privatisation agreements, land lease rentals and port and infrastructure concessions.
- *Fuel and utilities:* Fuel and utilities costs relates to purchases of fuel and utilities to operate the vehicles, equipment, buildings and structures in and around our premises.
- *Repairs and maintenance:* Repairs and maintenance cost relates to repairs and maintenance of our property, plant, equipment and concession assets.

12. FINANCIAL INFORMATION (Cont'd)

- **Construction Contract Cost:** Construction Contract Cost relates to cost recorded in accordance with MFRS 15 – Revenue from Contract with Customers as stated in IC Interpretation 12 in relation to the construction or upgrade of the port and terminal infrastructure under concession. We engage third parties to carry out most of our developments or upgrading works, and therefore our Construction Contract Revenue reported approximates our Construction Contract Costs.
- **Others:** Other expenses mainly relate to short term rental expenses on plant and machineries; contract labour and contractor costs for hiring third parties to support our operations; write-off of property, plant and equipment; and general administrative expenses.

Finance costs

Our finance costs primarily comprise interest incurred on our borrowings and concession liabilities.

The following table sets out a breakdown of our finance costs for the financial years indicated:

	FYE 31 December		
	Audited		
	2022	2023	2024
	RM'000	RM'000	RM'000
Interest on borrowings	235,766	231,525	220,954
Interest on lease liabilities	13,933	11,230	17,421
Interest on concession liabilities	117,410	145,516	147,982
Interest on intercompany balances	2,155	-	-
Accretion of interests	11,320	3,968	4,006
Total	380,584	392,239	390,363

Share of results of an associate

Our share of results of an associate primarily relates to our 33.3% interest in P.T. Ritra Konnas Freight Centre. During the Financial Years Under Review, this company was directly owned by our then wholly-owned subsidiary Kontena Nasional, which we disposed of on 29 February 2024. Accordingly, we did not record any share of results of an associate in the FYE 31 December 2024 after that date.

Share of results of joint ventures

Our share of results of joint ventures primarily relates to (i) our 50.0% interest in Cranetech Global Sdn Bhd, a dormant company that was liquidated on 7 August 2024, and (ii) our 50.0% interest in PKCT, which manages the Port Klang CT.

Taxation

Our taxation comprises of income tax on our PBT at the applicable statutory tax rate and deferred income tax relating to origination and reversal of temporary differences.

	FYE 31 December		
	Audited		
	2022	2023	2024
PBT (RM'000)	829,540	945,954	990,673
PBT margin ⁽¹⁾ (%)	20.4	23.9	22.7
PBT margin (excluding Construction Revenue) ⁽¹⁾ (%)	21.4	24.6	24.0
Taxation (RM'000)	(254,545)	(138,647)	(225,127)
Effective tax rate ⁽²⁾ (%)	30.7	14.7	22.7
Malaysia statutory tax rate (%)	24.0	24.0	24.0

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) Calculated as PBT divided by revenue, or, where indicated, revenue excluding Construction Contract Revenue.
- (2) Computed based on taxation divided by PBT.

Our effective tax rate for the FYE 31 December 2022 was higher than the statutory tax rate primarily due to (a) the impact of a one-off increase in the tax rate to 33.0% on the portion of chargeable income exceeding RM100.0 million, commonly referred to as the "Cukai Makmur", which resulted in additional taxation of RM19.5 million, and (b) higher tax effects of approximately RM54.6 million from expenses not deductible for tax purposes, which mainly contributed by additional tax effects of RM20.4 million (RM84.8 million @ tax rate of 24.0%) arising from the non-tax deductible write-off of property, plant and equipment of RM84.8 million.

Our effective tax rate for the FYE 31 December 2023 decreased to 14.7% from 30.7% for the FYE 31 December 2022 primarily due to (a) the recognition of an ITA of RM60.5 million in FYE 31 December 2023, primarily from qualifying expenditure incurred by NMB for the expansion and upgrade of Northport facilities in FYE 31 December 2023; and (b) higher over accrual of income tax in prior years, of RM22.2 million in FYE 31 December 2023 compared to RM8.7 million in FYE 31 December 2022.

We assume responsibility for the withholding of tax on payments to our service providers who are not resident in Malaysia when the services are rendered on shore, as well as on licenses or royalties paid to our vendors and service providers. We also remit such withheld taxes to the Inland Revenue Board of Malaysia. At the same time, during the Financial Years Under Review, all of our revenue was derived in Malaysia, as such, we are not subject to any foreign withholding tax.

(ii) FYE 31 December 2024 compared to FYE 31 December 2023

The following table presents selected financial information from our consolidated statements of comprehensive income for the financial years indicated:

	FYE 31 December				
	2023		2024		% change
	RM'000	% ⁽¹⁾	RM'000	% ⁽¹⁾	
Revenue	3,961,040	100.0	4,356,507	100.0	10.0
Other operating income	203,929	5.2	48,584	1.1	(76.2)
Operating expenditure:					
- employees' benefits expense	(958,104)	(24.2)	(1,033,271)	(23.7)	7.8
- depreciation of property, plant and equipment, right-of-use assets and investment properties	(487,257)	(12.3)	(501,640)	(11.5)	3.0
- amortisation of concession assets and intangible assets	(205,399)	(5.2)	(213,216)	(4.9)	3.8
- fuel and utilities	(348,662)	(8.8)	(345,224)	(7.9)	(1.0)
- repairs and maintenance	(281,867)	(7.1)	(347,232)	(8.0)	23.2
- Construction Contract Cost	(114,249)	(2.9)	(227,228)	(5.2)	98.9
- others	(506,543)	(12.8)	(431,065)	(9.9)	(14.9)
Net (provision)/reversal of impairment loss on trade and other receivables	(10,794)	(0.3)	805	0.02	(107.5)
Operating profit	1,252,094	31.6	1,307,020	30.0	4.4

12. FINANCIAL INFORMATION (Cont'd)

	FYE 31 December				
	2023		2024		% change
	RM'000	% ⁽¹⁾	RM'000	% ⁽¹⁾	
Share of results of an associate	986	0.02	282	0.01	(71.4)
Share of results of joint ventures	7,576	0.2	5,453	0.1	(28.0)
Profit before interest and tax	1,260,656	31.8	1,312,755	30.1	4.1
Finance income	77,537	2.0	68,281	1.6	(11.9)
Finance costs	(392,239)	(9.9)	(390,363)	(9.0)	(0.5)
PBT	945,954	23.9	990,673	22.7	4.7
Zakat expense	(1,845)	(0.1)	(4,427)	(0.1)	139.9
Taxation	(138,647)	(3.5)	(225,127)	(5.2)	62.4
Profit for the financial year	805,462	20.3	761,119	17.4	(5.5)

Note:(1) *Percentage of revenue.***Revenue**

Our total revenue increased by 10.0% from RM3,961.0 million for the FYE 31 December 2023 to RM4,356.5 million for the FYE 31 December 2024, primarily due to an increase in container revenue.

- Container revenue increased by 13.1% from RM2,539.4 million for the FYE 31 December 2023 to RM2,873.0 million for the FYE 31 December 2024 primarily due to increased container throughput at PTP to 12.3 million TEUs from 10.5 million TEUs and at Northport to 3.7 million TEUs from 3.2 million TEUs.
- Conventional revenue increased by 9.1% from RM402.0 million for the FYE 31 December 2023 to RM438.6 million for the FYE 31 December 2024 primarily due to increased conventional throughput at Northport to 12.7 million FWTs from 11.4 million FWTs and at Penang Port to 6.2 million FWTs from 5.6 million FWTs.
- Marine revenue increased by 3.8% from RM492.5 million for the FYE 31 December 2023 to RM511.4 million for the FYE 31 December 2024 primarily due to higher number of vessels handled by Johor Port and Penang Port.
- Other revenue increased by 7.5% from RM195.0 million for the FYE 31 December 2023 to RM209.7 million for the FYE 31 December 2024 primarily due to the addition of four new ferries at Penang Port which began operations on 7 August 2023.
- Construction Contract Revenue increased by 98.9% from RM114.2 million for the FYE 31 December 2023 to RM227.2 million for the FYE 31 December 2024, mainly due to the expansion of Northport's container yard referred to as "Block K".
- Logistics and freight forwarding revenue decreased by 81.0% from RM140.7 million for the FYE 31 December 2023 to RM26.7 million for the FYE 31 December 2024, due to the full divestment of interests in Kontena Nasional on 29 February 2024, resulting in no recorded revenue from this segment for the remainder of the financial year.

12. FINANCIAL INFORMATION (Cont'd)**Other operating income**

Other operating income decreased by 76.2% from RM203.9 million for the FYE 31 December 2023 to RM48.6 million for the FYE 31 December 2024 primarily due to a decrease in the gains on disposal of investment properties during the year. In FYE 31 December 2023, our Group recognised a disposal of investment properties as a result of entering into long-term lease arrangements of the additional free zone area of PTP and land leases at JPB, resulting in a gain of RM148.7 million under other operating income. Our Group had no such disposal in the FYE 31 December 2024.

Operating expenditure

- Employees' benefits expense: Employees' benefits expense increased by 7.8% from RM958.1 million for the FYE 31 December 2023 to RM1,033.3 million for the FYE 31 December 2024, primarily due to higher wages, salaries and bonus as a result of increased headcount.
- Depreciation of property, plant and equipment, right-of-use assets and investment properties: Depreciation increased by 3.0% from RM487.3 million for the FYE 31 December 2023 to RM501.6 million for the FYE 31 December 2024, primarily due to a larger asset base from increased capital expenditure.
- Amortisation of concession assets and intangible assets: Amortisation of concession assets and intangible assets increased by 3.8% from RM205.4 million for the FYE 31 December 2023 to RM213.2 million for the FYE 31 December 2024, primarily due to a larger concession asset base from continuing upgrading.
- Fuel and utilities: Fuel and utilities expenses decreased slightly by 1.0% from RM348.7 million for the FYE 31 December 2023 to RM345.2 million for the FYE 31 December 2024, primarily due to lower fuel costs.
- Repairs and maintenance: Repairs and maintenance expenses increased by 23.2% from RM281.9 million for the FYE 31 December 2023 to RM347.2 million for the FYE 31 December 2024, primarily due to higher preventive maintenance work and associated costs in line with increased capacity utilisation at our ports.
- Construction Contract Cost: Construction Contract Cost increased by 98.9% from RM114.2 million for the FYE 31 December 2023 to RM227.2 million for the FYE 31 December 2024, primarily due to the expansion of Northport's container yard, referred to as "Block K".
- Others: Other operating expenses decreased by 14.9% from RM506.5 million for the FYE 31 December 2023 to RM431.1 million for the FYE 31 December 2024, primarily due to lower contract labour and contractor related costs, attributable to disposal of Kontena Nasional during the FYE 31 December 2024.

Net (provision)/reversal of impairment loss on trade and other receivables

We made a net provision for impairment loss of RM10.8 million for the FYE 31 December 2023, and we recorded a net reversal for impairment loss of RM0.8 million for the FYE 31 December 2024, primarily due to improved collection from receivables and recovery of previously impaired receivables.

12. FINANCIAL INFORMATION (Cont'd)**GP and GP margin**

GP increased by 13.3% from RM1,579.7 million for the FYE 31 December 2023 to RM1,789.8 million for the FYE 31 December 2024, primarily due to the increase in revenue described above while our cost of goods sold increased at a slower pace than the revenue. Similarly, GP margin and GP margin (excluding Construction Contract) increased from 39.9% and 41.1% for the FYE 31 December 2023, respectively, to 41.1% and 43.3% for the FYE 31 December 2024, primarily driven by:

- (i) an increase in revenue which primarily due to higher container throughput at PTP and Northport as described above;
- (ii) a slight decrease in fuel and utilities expenses as described above primarily due to lower fuel costs;
- (iii) decrease in other operating expenses primarily due to lower contract labour and contractor related costs, attributable to disposal of Kontena Nasional during the FYE 31 December 2024; and
- (iv) increases in employees' benefits expenses and depreciation of property, plant and equipment as described above remained proportionally lower than the growth in revenue.

Operating profit and operating profit margin

Operating profit increased by 4.4% from RM1,252.1 million for the FYE 31 December 2023 to RM1,307.0 million for the FYE 31 December 2024, primarily due to the increase in revenue described above while our total operating expenditures increased at a more moderate rate for the reasons described above.

Notwithstanding that, operating profit margin and operating profit margin (excluding Construction Contract Revenue) decreased slightly from 31.6% and 32.5% for the FYE 31 December 2023, respectively, to 30.0% and 31.7% for the FYE 31 December 2024, respectively. In the FYE 31 December 2023, we recognised a disposal of investment properties resulting in a gain of RM148.7 million, and we had no such disposal for gain in the FYE 31 December 2024. In FYE 31 December 2023, we recognised the long-term leases of additional free zone area at PTP and the extension of long-term land leases at JPB as disposal of investment properties under other operating income. No such disposal was recorded in FYE 31 December 2024. Excluding such one-off gain, operating profit margin and operating profit margin (excluding Construction Contract Revenue) for the FYE 31 December 2023 was 27.9% and 28.7%, respectively.

Share of results of an associate

Share of results of an associate decreased by 71.4% from RM1.0 million for the FYE 31 December 2023 to RM0.3 million for the FYE 31 December 2024, primarily due to the disposal of Kontena Nasional during the FYE 31 December 2024.

Share of results of joint ventures

Share of results of joint ventures decreased by 28.0% from RM7.6 million for the FYE 31 December 2023 to RM5.5 million for the FYE 31 December 2024, primarily due to the decrease in profit of PKCT as a result of decreased passenger throughput.

Profit before interest and tax

Profit before interest and tax increased by 4.1% from RM1,260.7 million for the FYE 31 December 2023 to RM1,312.8 million for the FYE 31 December 2024, primarily due to the increase in operating profit described above.

12. FINANCIAL INFORMATION (Cont'd)**Finance income**

Finance income decreased by 11.9% from RM77.5 million for the FYE 31 December 2023 to RM68.3 million for the FYE 31 December 2024, primarily due to the decrease in cash and bank balances to RM347.3 million from RM426.7 million as a result of increased capital expenditure.

Finance costs

Finance costs slightly decreased by 0.5% from RM392.2 million for the FYE 31 December 2023 to RM390.4 million for the FYE 31 December 2024.

PBT and PBT margin

PBT increased by 4.7% from RM946.0 million for the FYE 31 December 2023 to RM990.7 million for the FYE 31 December 2024, primarily due to increased operating profit, which was partially offset by higher net finance costs.

Notwithstanding that, PBT margin and PBT margin (excluding Construction Contract Revenue) decreased slightly from 23.9% and 24.6% for the FYE 31 December 2023, respectively, to 22.7% and 24.0% for the FYE 31 December 2024, respectively. In the FYE 31 December 2023, we recognised a disposal of investment properties resulting in a gain of RM148.7 million, and we had no such disposal for gain in the FYE 31 December 2024. In FYE 31 December 2023, we recognised the long-term leases of additional free zone area at PTP and the extension of long-term land leases at JPB as disposal of investment properties under other operating income. No such disposal was recorded in FYE 31 December 2024. Excluding such one-off gain, PBT margin and PBT margin (excluding Construction Contract Revenue) for the FYE 31 December 2023 was 20.1% and 20.7%, respectively.

Taxation

Taxation increased by 62.4% from RM138.6 million for the FYE 31 December 2023 to RM225.1 million for the FYE 31 December 2024, primarily due to (a) an increase in taxable profit in line with increased chargeable profit, (b) lower recognition of an ITA of RM22.8 million from RM60.5 million in the prior year, primarily from qualifying expenditure incurred by NMB for the expansion and upgrade of Northport facilities in FYE 31 December 2023 and (c) reduction in over accrual of income tax in prior years, of RM0.7 million in FYE 31 December 2024 compared to RM22.2 million in FYE 31 December 2023. Additionally, we recognised net deferred tax assets of RM13.3 million arising from previously unrecognised timing difference arising from the unutilised investment allowances and land lease receivables in FYE 31 December 2023, and we had no such recognition in FYE 31 December 2024.

PATAMI and PATAMI margin

PATAMI decreased by 9.2% from RM701.1 million for the FYE 31 December 2023 to RM636.6 million for the FYE 31 December 2024, and PATAMI margin and PATAMI margin (excluding Construction Revenue) decreased from 17.7% and 18.2%, respectively, for the FYE 31 December 2023 to 14.6% and 15.4%, respectively, for the FYE 31 December 2024, primarily due to the increase in taxation described above.

12. FINANCIAL INFORMATION (Cont'd)**(iii) FYE 31 December 2023 compared to FYE 31 December 2022**

The following table presents selected financial information from our consolidated statements of comprehensive income for the financial years indicated:

	FYE 31 December				
	2022		2023		% change
	RM'000	% ⁽¹⁾	RM'000	% ⁽¹⁾	
Revenue	4,058,078	100.0	3,961,040	100.0	(2.4)
Other operating income	88,860	2.2	203,929	5.2	129.5
Operating expenditure					
- employees' benefits expense	(890,442)	(21.9)	(958,104)	(24.2)	7.6
- depreciation of property, plant and equipment, right-of-use assets and investment properties	(505,899)	(12.5)	(487,257)	(12.3)	(3.7)
- amortisation of concession assets and intangible assets	(214,505)	(5.3)	(205,399)	(5.2)	(4.2)
- fuel and utilities	(360,429)	(8.9)	(348,662)	(8.8)	(3.3)
- repairs and maintenance	(299,604)	(7.4)	(281,867)	(7.1)	(5.9)
- Construction Contract					
Cost	(187,243)	(4.6)	(114,249)	(2.9)	(39.0)
- others	(569,141)	(14.0)	(506,543)	(12.8)	(11.0)
Net provision of impairment loss on trade and other receivables	(1,296)	(0.03)	(10,794)	(0.3)	732.9
Operating profit	1,118,379	27.6	1,252,094	31.6	12.0
Share of results of an associate	1,111	0.03	986	0.02	(11.3)
Share of results of joint ventures	35,785	0.9	7,576	0.2	(78.8)
Profit before interest and tax	1,155,275	28.5	1,260,656	31.8	9.1
Finance income	54,849	1.4	77,537	2.0	41.4
Finance costs	(380,584)	(9.4)	(392,239)	(9.9)	3.1
PBT	829,540	20.4	945,954	23.9	14.0
Zakat expense	(5,131)	(0.1)	(1,845)	(0.1)	(64.0)
Taxation	(254,545)	(6.3)	(138,647)	(3.5)	(45.5)
Profit for the financial year	569,864	14.0	805,462	20.3	41.3

Note:

(1) Percentage of revenue.

Revenue

Our total revenue decreased slightly by 2.4% from RM4,058.1 million for the FYE 31 December 2022 to RM3,961.0 million for the FYE 31 December 2023, primarily due to decreases in container revenue and Construction Contract Revenue.

- Container revenue decreased by 2.2% from RM2,596.5 million for the FYE 31 December 2022 to RM2,539.4 million for the FYE 31 December 2023 primarily due to the easing of global port congestion and decreased dwell time for containers berthed at ports, which resulting in less demand for storage at our ports, which in turn led to a decrease in storage revenue from PTP and Northport.

12. FINANCIAL INFORMATION (Cont'd)

The container throughput at PTP and Northport remained stable at around 10.5 million TEUs and 3.2 million TEUs, respectively. The revenue decline was mainly due to lower storage-related charges, as there were no material changes in container throughput volume, and there were no changes in tariff rates during the said financial years.

- Conventional revenue decreased slightly by 0.2% from RM402.6 million for the FYE 31 December 2022 to RM402.0 million for the FYE 31 December 2023 primarily due to slight decrease in conventional throughput at Johor Port to 16.7 million FWTs from 19.1 million FWTs and at Penang Port to 5.6 million FWTs from 5.8 million FWTs.
- Marine revenue increased by 5.4% from RM467.1 million for the FYE 31 December 2022 to RM492.5 million for the FYE 31 December 2023 primarily due to higher vessel calls in JPB in line with the resumption of activities in PETRONAS Pengerang Integrated Complex.
- Other revenue increased by 2.7% from RM189.9 million for the FYE 31 December 2022 to RM195.0 million for the FYE 31 December 2023 primarily due to higher ancillary port related service charges.
- Construction Contract Revenue decreased by 39.0% from RM187.2 million for the FYE 31 December 2022 to RM114.2 million for the FYE 31 December 2023 primarily due to lower upgrading and development of concession assets.

Other operating income

Other operating income increased by 129.5% from RM88.9 million for the FYE 31 December 2022 to RM203.9 million for the FYE 31 December 2023, primarily due to an increase in gains on disposal of investment properties during the year, partially offset by the decrease in gain on derecognition of right-of-use assets. In FYE 31 December 2023, our Group recognised a disposal of investment properties resulting in a gain of RM148.7 million, and our Group had no such disposal in FYE 31 December 2022.

In FYE 31 December 2023, our Group recognised a disposal of investment properties as a result of entering into long-term lease arrangements with customers for the additional free zone area of PTP and land leases to customers at JPB, resulting in a gain of RM148.7 million under other operating income. The long-term lease arrangement involved the lease of the free zone area at PTP and land at JPB for a period ranging from more than three years up to the end of the concession period. In this arrangement, all the risks and rewards associated with the investment properties were deemed to have been transferred to the customers (lessees), leading to the said investment properties being treated as disposal. In contrast, in FYE 31 December 2022, we recorded a gain on derecognition of right-of-use assets of RM51.8 million as a result of a disposal of investment properties relating to land and building at PTP.

Operating expenditure

- Employees' benefits expense: Employees' benefits expense increased by 7.6% from RM890.4 million for the FYE 31 December 2022 to RM958.1 million for the FYE 31 December 2023, primarily due to annual increment and increase in employee headcount in PTP.
- Depreciation of property, plant and equipment, right-of-use assets and investment properties: Depreciation decreased by 3.7% from RM505.9 million for the FYE 31 December 2022 to RM487.3 million for the FYE 31 December 2023, primarily due to a decrease in depreciation of plant, machinery and equipment in conjunction with the accelerated depreciation and write-off of under-performing quay cranes in the FYE 31 December 2022.

12. FINANCIAL INFORMATION (Cont'd)

- Amortisation of concession assets and intangible assets: Amortisation decreased by 4.2% from RM214.5 million for the FYE 31 December 2022 to RM205.4 million for the FYE 31 December 2023, primarily due to lower amortisation of concession assets by RM9.1 million.
- Fuel and utilities: Fuel and utilities expenses decreased by 3.3% from RM360.4 million for the FYE 31 December 2022 to RM348.7 million for the FYE 31 December 2023, primarily due to a significant global increase in fuel prices in 2022 largely driven by the Russia-Ukraine conflict, which disrupted oil supplies and increased Brent crude oil prices, which is one of the recognised international benchmarks for trading oil, above USD100 per barrel, resulting in significantly increased petrol and diesel prices in many countries, including Malaysia, towards the latter half of the period. Fuel prices had since normalised for our Group in 2023, which contributed to a decrease in our overall fuel and utilities expenses in the FYE 31 December 2023.
- Repairs and maintenance: Repairs and maintenance expenses decreased by 5.9% from RM299.6 million for the FYE 31 December 2022 to RM281.9 million for the FYE 31 December 2023, primarily due to lower repairs and maintenance for quay cranes and RTGs, which were either newly acquired or still under warranty and minimised the need for extensive maintenance work and associated costs during this period.
- Construction Contract Cost: Construction Contract Cost decreased by 39.0% from RM187.2 million for the FYE 31 December 2022 to RM114.2 million for the FYE 31 December 2023, primarily due to lower upgrading and development of concession assets.
- Others: Other operating expenses decreased by 11.0% from RM569.1 million for the FYE 31 December 2022 to RM506.5 million for the FYE 31 December 2023, primarily due to write off of property, plant and equipment of RM84.8 million in FYE 31 December 2022.

Net provision of impairment loss on trade and other receivables

Net provision for impairment loss increased from RM1.3 million for the FYE 31 December 2022 to RM10.8 million for the FYE 31 December 2023, primarily due to higher provision for impairment loss on trade receivables in PPSB as we assessed the recoverability from a particular customer to be low.

GP and GP margin

GP decreased by 1.4% from RM1,601.7 million for the FYE 31 December 2022 to 1,579.7 million for the FYE 31 December 2023, primarily due to decrease in revenue described above. Both GP margin and GP margin (excluding Construction Contract Revenue) remained relatively stable over the same period, with year-on-year changes within 0.5%. The revenue decreased slightly by 2.4% primarily due to decreases in container revenue and Construction Contract Revenue as described above, which was largely offset by a corresponding reduction in key operating expenditure as described above, including fuel and utilities, depreciation and amortisation, and repairs and maintenance.

Operating profit and operating profit margin

Operating profit increased by 12.0% from RM1,118.4 million for the FYE 31 December 2022 to RM1,252.1 million for the FYE 31 December 2023, primarily due to the increase in other operating income described above while our total operating expenditure decreased by 4.1% for the reasons described above. Operating profit margin and operating profit margin (excluding Construction Contract Revenue) increased from 27.6% and 28.9%, for the FYE 31 December 2022, respectively, to 31.6% and 32.5%

12. FINANCIAL INFORMATION (Cont'd)

for the FYE 31 December 2023, respectively, primarily due to the increase in other operating income described above.

Share of results of an associate

Share of results of an associate decreased by 11.3% from RM1.1 million for the FYE 31 December 2022 to RM1.0 million for the FYE 31 December 2023, primarily due to lower profit recorded by our former associate, P.T. Ritra Konnas Freight Centre.

Share of results of joint ventures

Share of results of joint ventures decreased by 78.8% from RM35.8 million for the FYE 31 December 2022 to RM7.6 million for the FYE 31 December 2023, primarily due to the recognition of negative goodwill amounting of RM29.9 million as share of results of joint ventures when we acquired PKCT in FYE 31 December 2022, despite higher profit recorded by PKCT in FYE 31 December 2023.

Profit before interest and tax

Profit before interest and tax increased by 9.1% from RM1,155.3 million for the FYE 31 December 2022 to RM1,260.7 million for the FYE 31 December 2023, primarily due to the increase in operating profit described above.

Finance income

Finance income increased by 41.4% from RM54.8 million for the FYE 31 December 2022 to RM77.5 million for the FYE 31 December 2023, primarily due to a higher weighted average OPR of 2.92% per annum compared to weighted average OPR of 2.17% per annum in 2022 following a decision by the Bank Negara Malaysia.

Finance costs

Finance costs increased by 3.1% from RM380.6 million for the FYE 31 December 2022 to RM392.2 million for the FYE 31 December 2023, primarily due to an increase in interest expense for our concession liabilities from RM117.4 million to RM145.5 million in line with the remeasurement of certain concession land.

PBT and PBT margin

PBT increased by 14.0% from RM829.5 million for the FYE 31 December 2022 to RM946.0 million for the FYE 31 December 2023, and PBT margin and PBT Margin (excluding Construction Contract Revenue) increased from 20.4% and 21.4%, respectively, for the FYE 31 December 2022 to 23.9% and 24.6% for the FYE 31 December 2023, primarily due to the increased operating profit and finance income described above.

Taxation

Taxation decreased by 45.5% from RM254.5 million for the FYE 31 December 2022 to RM138.6 million for the FYE 31 December 2023, primarily due to (a) the recognition of an ITA of RM60.5 million in FYE 31 December 2023, primarily from qualifying expenditure incurred by NMB for the expansion and upgrade of Northport facilities in FYE 31 December 2023; and (b) higher over accrual of income tax in prior years, of RM22.2 million in FYE 31 December 2023 compared to RM8.7 million in FYE 31 December 2022.

12. FINANCIAL INFORMATION (Cont'd)**PATAMI and PATAMI margin**

PATAMI increased by 48.6% from RM471.8 million for the FYE 31 December 2022 to RM701.1 million for the FYE 31 December 2023, and PATAMI margin and PATAMI margin (excluding Construction Contract Revenue) increased from 11.6% and 12.2%, respectively, for the FYE 31 December 2022 to 17.7% and 18.2%, respectively, for the FYE 31 December 2023, primarily due to the increase of PBT and PBT margin, and decrease in taxation, each described above.

12.2.5 Liquidity and capital resources**(i) Working capital**

Our working capital is funded through cash generated from our operating activities, borrowings from financial institutions and Sukuk issuances.

As at 31 December 2024, we had cash and bank balances of RM347.3 million out of which cash generated from our operations amounting to RM2,022.2 million and total borrowings of RM5,365.1 million. In addition, we have RM1,527.4 million as at 31 December 2024 in the form of liquid short-term investments. As at 31 December 2024, we were in a net current assets position of RM668.5 million, calculated as the difference between our current assets of RM2,661.8 million and current liabilities of RM1,993.2 million. In addition to our cash and bank balances and liquid short-term investments as at 31 December 2024, we also have access to undrawn credit facilities from financial institutions of approximately RM2.5 billion which may be drawn upon to support working capital or other operational requirements, providing additional liquidity flexibility to the Group.

Our Board is of the view that we have sufficient working capital for at least 12 months from the date of this Prospectus, on the basis of the aforementioned available cash and bank balances, cash generated from our operations, borrowings, liquid short-term investments, and taking into consideration our funding requirements for our committed capital expenditure and contractual obligations, expected cash flows from operations, our existing level of cash and cash equivalents, borrowings from financial institutions and Sukuk issuances, and payment of an interim dividend of RM255.0 million for the FYE 31 December 2025 in July 2025.

(ii) Cash flows

The following table summarises our consolidated statements of cash flows for the Financial Years Under Review:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Net cash flow generated from operating activities	1,699,407	1,596,623	1,882,951
Net cash flow used in investing activities	(552,412)	(493,459)	(667,074)
Net cash flow used in financing activities	(1,025,651)	(1,208,829)	(1,285,651)
Net increase/(decrease) in cash and cash equivalents	121,344	(105,665)	(69,774)
Cash and cash equivalents at beginning of the financial year	268,427	389,771	284,106
Cash and cash equivalents at the end of the financial year	389,771	284,106	214,332

12. FINANCIAL INFORMATION (Cont'd)

As at the LPD, except for an immaterial amount of approximately RM5.3 million held in USD, all our cash and cash equivalents are all held in RM. There are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, subject to any applicable withholding tax and the availability of distributable reserves, and compliance with applicable covenants in our subsidiaries' outstanding borrowings and Sukuk.

Net cash flow generated from operating activities***FYE 31 December 2024***

For the FYE 31 December 2024, our net cash flow generated from operating activities was RM1,883.0 million, after taking into consideration our cash flow generated from operations before working capital changes of RM2,018.7 million, as well as further adjustment for working capital changes which mainly comprised:

- (i) an increase in trade and other payables of RM88.2 million mainly due to higher operating expenses incurred in the FYE 31 December 2024;
- (ii) an increase in trade and other receivables of RM75.7 million mainly due to an increase in port and terminal operations revenue in the FYE 31 December 2024; and
- (iii) an increase in inventories of RM9.0 million due to an increase in consumables, spares and supplies.

We had cash outflows for payment of income taxes amounting to RM130.1 million, payment of zakat amounting to RM4.4 million, and retirement benefits paid of RM4.8 million.

FYE 31 December 2023

For the FYE 31 December 2023, our net cash flow generated from operating activities was RM1,596.6 million, after taking into consideration our cash flow generated from operations before working capital changes of RM1,814.0 million, as well as further adjustment for working capital changes which mainly comprised:

- (i) an increase in trade and other receivables of RM99.2 million mainly due to a slightly longer collection period for certain trade receivables for the FYE 31 December 2023;
- (ii) an increase in trade and other payables of RM32.7 million mainly due to an increase in lease rental collected on behalf of JPA for land managed by JPB, that is outstanding and payable to JPA; and
- (iii) an increase in inventories of RM11.4 million due to an increase in consumables, spares and supplies.

We had cash outflows for payment of income taxes amounting to RM126.4 million, payment of zakat amounting to RM1.8 million, and retirement benefits paid of RM11.3 million.

FYE 31 December 2022

For the FYE 31 December 2022, our net cash flow generated from operating activities was RM1,699.4 million after taking into consideration our cash flows generated from operations before working capital changes of RM1,850.1 million, as well as further adjustment for working capital changes which mainly comprised:

12. FINANCIAL INFORMATION (Cont'd)

- (i) an increase in trade and other payables of RM41.6 million mainly due to higher operating expenses incurred in the FYE 31 December 2022 which had resulted in higher trade payables;
- (ii) a decrease in trade and other receivables of RM9.4 million mainly due to increased collections from customers due to improved collection efforts; and
- (iii) an increase in inventories of RM21.6 million mainly due to an increase in consumables, spares and supplies, and additional construction materials to support property development activities of Seaport Worldwide for the construction of a bridge. In April 2022, JPB completed the disposal of Seaport Worldwide to MMC Land Sdn Bhd, a wholly-owned subsidiary of MMC Corp, for consideration of RM649.3 million.

We had cash outflows for payment of income taxes amounting to RM169.5 million, payment of zakat amounting to RM5.1 million, and retirement benefits paid of RM5.5 million.

Net cash flow used in investing activities***FYE 31 December 2024***

For the FYE 31 December 2024, we recorded net cash flow used in investing activities of RM667.1 million, which mainly comprised the purchase of property, plant, and equipment of RM524.3 million and RM234.4 million spent on concession assets relating to the upgrading of port infrastructure and higher net purchase of short term investments of RM335.7 million.

The outflow was partly offset by cash proceeds from disposal of Kontena Nasional of RM297.0 million, interest received of RM68.3 million and finance lease payments received of RM56.4 million received in relation to the disposal of investment properties.

FYE 31 December 2023

For the FYE 31 December 2023, we recorded net cash flow used in investing activities of RM493.5 million, which mainly comprised the purchase of property, plant, and equipment of RM696.2 million and RM113.2 million spent on concession assets relating to the upgrading of port infrastructure.

The outflow was partly offset by net redemption of short-term investments of RM186.3 million, interest received of RM77.5 million, and finance lease payments received of RM157.1 million in relation to the disposal of investment properties.

FYE 31 December 2022

For the FYE 31 December 2022, we recorded net cash flow used in investing activities of RM552.4 million, which mainly comprised the purchase of property, plant, and equipment of RM420.1 million, RM191.3 million spent on concession assets relating to the upgrading of port infrastructure and purchase of investment properties of RM94.3 million.

The outflow was partly offset by the receipt of repayment of RM90.0 million from MMC Corp in relation to the promissory notes previously issued, interest received of RM54.8 million and proceeds from the derecognition of right-of-use assets of RM51.8 million as a result of a disposal of investment properties relating to land and building at PTP.

12. FINANCIAL INFORMATION (Cont'd)***Net cash flow used in financing activities******FYE 31 December 2024***

For the FYE 31 December 2024, we recorded net cash used in financing activities of RM1,285.7 million, which mainly comprised total dividends paid to shareholder and non-controlling interests of RM586.2 million, repayment of our borrowings of RM394.6 million, interest paid for our borrowings of RM238.1 million, repayment of advances received from MMC Corp of RM189.1 million, concession liabilities paid of RM158.8 million and lease liabilities paid of RM104.7 million.

FYE 31 December 2023

For the FYE 31 December 2023, we recorded net cash used in financing activities of RM1,208.8 million, which mainly comprised of total dividends paid to shareholder and non-controlling interest of RM576.4 million, interest paid for our borrowings of RM237.7 million, repayment of our borrowings of RM174.1 million, concession liabilities paid of RM166.1 million and lease liabilities paid of RM85.5 million.

FYE 31 December 2022

For the FYE 31 December 2022, we recorded net cash used in financing activities of RM1,025.7 million, which mainly comprised of repayment of our borrowings of RM2,074.7 million, total dividends paid to shareholder and non-controlling interests of RM326.0 million, interest paid for our borrowings of RM242.9 million, concession liabilities paid of RM140.5 million and lease liabilities paid of RM76.6 million. The outflows were partly offset by the drawdown of our borrowings of RM1,761.1 million.

12.2.6 Borrowings and Sukuk

As at 31 December 2024, our total borrowings amounted to RM5,365.1 million, all of which are interest bearing and denominated in RM. As at 31 December 2024, we have no borrowings denominated in any foreign currencies. Details of our bank borrowings and Sukuk are set out as below:

	RM'000	Profit rate for the FYE 31 December 2024 (per annum)
<u>Non-current</u>		
Secured:		
- Term loans	45,378	3.38% - 5.19%
- Sukuk	238,142	4.45% - 4.89%
Unsecured:		
- Sukuk	4,149,008	3.15% - 5.78%
	<u>4,432,528</u>	
<u>Current</u>		
Secured:		
- Term loans	13,749	3.38% - 5.19%
- Sukuk	880	4.45% - 4.89%
Unsecured:		
- Term loans	350,593	4.42%
- Sukuk	567,300	3.15% - 5.78%
	<u>932,522</u>	
Total	<u>5,365,050</u>	

12. FINANCIAL INFORMATION (Cont'd)

As at 31 December 2024, our Group's floating and fixed rate borrowings and Sukuk are set out as below:

	RM'000
Floating rate borrowings	362,130
Fixed rate borrowings	5,002,920
	5,365,050

Our secured borrowings for the Financial Years Under Review are structured as recourse financing. Our unsecured borrowings for the Financial Years Under Review, however, are on a non-recourse basis. There are no restrictions on the use of the Group's borrowings, other than those specifically designated for particular purposes as stated in the relevant financing agreements. There is no seasonality to the Group's borrowing requirements, as funding needs are generally driven by operational and capital expenditure requirements.

The following table sets out the maturity profile of our borrowings as at 31 December 2024:

	RM'000
On demand or within one year	932,522
More than one year and less than two years	423,951
More than two years and less than 15 years	4,008,577
Total	5,365,050

The covenants attached to our subsidiaries' outstanding borrowings and Sukuk do not, and are not expected to, have any impact on our Group's ability to meet its cash obligations as and when they fall due. We have not been in default on payments of either interest or principal for any of our borrowings for the Financial Years Under Review and up to the LPD. As at the LPD, we are not in breach of the terms and conditions or covenants under our credit arrangements or bank loans which would materially affect our financial position and results of operations or the investments in our Shares. However, in connection to our Listing, we are required to early redeem our government-guaranteed Sukuk facility, amounting to RM240.0 million, within one year of our listing.

12.2.7 Capital expenditures and material acquisitions and divestitures**(i) Capital expenditures**

The tables below set out a breakdown of our capital expenditures for the Financial Years Under Review:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Land and buildings	98,236	69,793	111,638
Plant, machinery and equipment	204,516	102,626	67,395
Port facilities and infrastructure	36,806	5,196	12,700
Constructed ferry infrastructure and facilities	-	-	739
Right-of-use assets	32,100	11,119	274,464
Capital work-in-progress	445,887	581,389	743,267
Land lease rental	75,306	-	5,845
Total capital expenditure	892,851	770,123	1,216,048

12. FINANCIAL INFORMATION (Cont'd)

Our main capital expenditures incurred during the Financial Years Under Review are set out below:

- (a) our capital expenditure of RM98.2 million on land and buildings for the FYE 31 December 2022 was primarily for development of Tanjung Adang land (in the Pelepas Free Zone) by PTPSB. Our capital expenditure on land and buildings for the FYE 31 December 2024 was primarily for the re-addition of land in PTP worth RM102.5 million that was previously sub-leased. The sub-lease was terminated in the FYE 31 December 2024, and it was recognised as addition to land and buildings in accordance with applicable accounting standards;
- (b) our capital expenditure on plant, machinery, and equipment during the Financial Years Under Review was primarily for RTGs, quay cranes, trailers, and prime movers across all our ports. We continued to invest in new equipment, refurbish existing equipment and review the retirement of old assets, including RTGs and quay cranes, to enhance our handling capabilities and improve operational efficiency;
- (c) our capital expenditure on port facilities and infrastructure during the Financial Years Under Review was primarily for the expansion of container yards and wharf road upgrades. In FYE 31 December 2022, PTP completed an expansion project involving three blocks within its container yard to increase storage capacity;
- (d) our capital expenditure on right-of-use assets during the Financial Years Under Review was primarily for tugboats and pilot boats to support our marine services. The significant increase in FYE 31 December 2024 to RM274.5 million was primarily due to the conversion of short-term rental arrangements for tugboats and pilot boats into long-term lease agreements ranging from two to ten years, thereby ensuring the consistent availability of tugboats and pilot boats and the continuity of related marine services. These lease arrangements were recognised as right-of-use assets in accordance with applicable accounting standards; and
- (e) our capital expenditure on capital work-in-progress was primarily for property, plant and equipment, and concession assets under construction.

For FYEs 31 December 2022 and 31 December 2023, our capital work-in-progress primarily related to: (1) the addition of quay cranes and RTGs by PTP and Northport which were under construction, and (2) the expansion of container yard block "J" at Northport.

For FYE 31 December 2024, our capital work-in-progress primarily related to: (1) the continuing construction of quay cranes and RTGs acquired by PTP and Northport, (2) the expansion of container yard block "K" at Northport and container yard block "15" to "21" at PTP; and (3) construction of two additional berths from the existing liquid jetties of Johor Port.

We have historically funded our capital expenditure requirements primarily through our internally generated funds, bank borrowings and Sukuk issuances.

(ii) **Material investments and divestitures**

Our material acquisitions and/or divestitures for the Financial Years Under Review and up to the LPD and the relevant consideration amounts are set out below:

Disposal of property development business

Previously, under the ports and logistics business division of MMC Corp, Seaport Worldwide was wholly owned by JPB. The principal activities of Seaport Worldwide are

12. FINANCIAL INFORMATION (Cont'd)

investment holding and property development, which are non-port-related activities. Seaport Worldwide was loss-making when we undertook the disposal of the property development business.

In April 2022, JPB completed the disposal of Seaport Worldwide to MMC Land Sdn Bhd, a wholly-owned subsidiary of MMC Corp, for consideration of RM649.3 million.

Disposal of logistics business

In February 2024, we completed the disposal of Kontena Nasional, which operated our logistics business and was previously a subsidiary of NCB Holdings, to MMC Logistics Holdings Sdn Bhd, a wholly-owned subsidiary of MMC Corp, for RM307.0 million.

Save as disclosed above, we have not undertaken any material acquisitions or divestitures during the Financial Years Under Review and up to the LPD.

12.2.8 Capital commitments and other contractual obligations**(i) Capital commitments**

The following table sets out a summary of our capital commitments (being our contracted and estimated capital expenditures) as at the LPD:

	RM'000
<u>Capital expenditure</u>	
Contracted, but not provided for	2,120,113
Total	2,120,113

Our contracted, but not provided for, capital commitments as at the LPD consist of capital expenditures undertaken by our ports, mainly in respect of the following:

- (a) approximately RM1.7 billion in capital commitments by PTPSB for the expansion of PTP, covering the delivery of additional quay cranes, electrified RTGs, and development of container yards; and
- (b) approximately RM289.2 million in capital commitments by NMB for the expansion of Northport, covering wharf extension and upgrading, purchase of new equipment, and digitalisation and automation of wharf and gate operations.

We plan to meet our capital commitments through our internally generated funds, bank borrowings and Sukuk issuances.

Save as disclosed above, as at the LPD, we do not have any other material capital commitments incurred or known to be incurred by us that may have a material impact on our financial results.

(ii) Other contractual obligations

Our contractual cash obligations (excluding capital commitments) as at 31 December 2024 comprise primarily of repayment obligations in respect of our borrowings, concession liabilities, trade and other payables (excluding statutory obligations) and lease liabilities.

12. FINANCIAL INFORMATION (Cont'd)

The following table sets out the maturity profile of our liabilities based on contractual undiscounted repayment obligations as at 31 December 2024:

	On demand	Within one year	One to five years	Over five years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade and other payables (excluding statutory obligations)	44,740	627,441	9,089	-	681,270
Borrowings	-	1,069,115	3,139,245	2,111,091	6,319,451
Concession liabilities	-	148,561	679,209	4,559,885	5,387,655
Lease liabilities	-	89,887	186,563	344,886	621,336
Total	44,740	1,935,004	4,014,106	7,015,862	13,009,712

We plan to meet our contractual cash obligations through our cash on hand, as well as cash generated from future operations and funding from other financing activities (if required).

12.2.9 Material litigation, claims and arbitration

As at the LPD, our Directors have confirmed that we are not engaged in any governmental proceedings pursuant to the Government Proceedings Act 1956, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings that may have or have had, material or significant effect on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

12.2.10 Contingent liabilities

As at the LPD, we do not have any contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

12.2.11 Key financial ratios

The following table sets out our key financial ratios for the Financial Years Under Review:

	FYE 31 December		
	2022	2023	2024
Current ratio ⁽¹⁾ (times)	1.7	1.5	1.3
Gearing ratio ⁽²⁾ (times)	0.8	0.9	0.9
Trade payables turnover ⁽³⁾ (days)	16	18	18
Trade receivables turnover ⁽⁴⁾ (days)	41	42	41
Inventory turnover ⁽⁵⁾ (days)	7	8	10

Notes:

- (1) Computed based on current assets divided by current liabilities as at the end of the financial year.
- (2) Computed based on total borrowings divided by total equity as at the end of the financial year.
- (3) Computed based on the average trade payables as at the beginning and end of the financial year divided by operating expenditure (excluding Construction Contract Cost) for such year, multiplied by 365 days
- (4) Computed based on the average trade receivables as at the beginning and end of the financial year divided by revenue (excluding Construction Contract Revenue) for such year, multiplied by 365 days.

12. FINANCIAL INFORMATION (Cont'd)

(5) Computed based on the average inventories as at the beginning and end of the financial year divided by total operating expenditure (excluding Construction Contract Cost) for such year, multiplied by 365 days.

(i) Current ratio

As at 31 December 2024, our current ratio decreased to 1.3 times, compared to 1.5 times as at 31 December 2023. This decrease was primarily due to an increase in current liabilities from RM1,593.6 million to RM1,993.2 million, while current assets increased from RM2,387.2 million to RM2,661.8 million. For the FYE 31 December 2023, our current ratio decreased to 1.5 times from 1.7 times in the FYE 31 December 2022, reflecting a decrease in current assets from RM2,490.9 million to RM2,387.2 million, while current liabilities increased from RM1,506.9 million to RM1,593.6 million.

(ii) Gearing ratio

As at 31 December 2024, our gearing ratio remained stable at 0.9 times, compared to 0.9 times as at 31 December 2023, reflecting an increase in total equity from RM5,778.8 million to RM5,800.7 million, while total borrowings slightly decreased from RM5,375.7 million to RM5,365.1 million. For the FYE 31 December 2023, our gearing ratio increased to 0.9 times from 0.8 times in the FYE 31 December 2022, reflecting a decrease in total equity from RM6,569.2 million to RM5,778.8 million, while total borrowings decreased from RM5,523.4 million to RM5,375.7 million.

(iii) Trade payables turnover

Trade payables comprise amounts outstanding for trade purchases. The credit periods granted to our Group by suppliers is normally 30 days. We have not entered into any material security arrangements in relation to outstanding trade payables.

Our trade payables turnover periods for the FYEs 31 December 2022, 31 December 2023 and 31 December 2024 were 16 days, 18 days, and 18 days, respectively, which were within the normal credit periods granted by our suppliers.

Ageing analysis

The following table sets out the ageing analysis for our total trade payables as at 31 December 2024 and the LPD, which are typically settled within 1 to 30 days:

	Current	Past due			Total
		1 – 30 days	31 – 120 days	More than 120 days	
As at 31 December 2024:					
Trade payables (RM'000)	134,098	7,318	298	1,119	142,833
% of total trade payables	93.9	5.1	0.2	0.8	100.0
As at the LPD:					
Trade payables settled (RM'000)	129,922	7,228	280	893	138,323
Trade payables settled (% of total trade payables)	96.9	98.8	93.9	79.8	96.8
Trade payables outstanding (RM'000)	4,176	90	18	226	4,510

We endeavour to pay our suppliers within the credit periods granted to us to ensure our supplies are not disrupted. As at the LPD, we do not have any material disputes in respect of our trade payables and there have been no material legal proceedings initiated by our suppliers against us to demand payment.

12. FINANCIAL INFORMATION (Cont'd)**(iv) Trade receivables turnover**

Our trade receivables primarily comprise amounts due from customers for port-related services rendered, including terminal handling, storage, marine services, and ancillary services. Our trade receivables turnover periods for the FYEs 31 December 2022, 2023, and 2024 were 41 days, 42 days, and 41 days, respectively.

The normal credit period of our Group for our trade debtors is 30 days. We may extend longer credit periods to certain major customers. We have granted a large customer an extended credit period, and they typically settle their trade debts with us in about 60 days on average. Hence, our trade receivables turnover period for the Financial Years Under Review was higher than our normal credit period of 30 days.

Ageing analysis

The following table sets out the ageing analysis for our trade receivables as at 31 December 2024:

	Current	Past due			Total
		to 3 months	3 months to 6 months	More than 6 months	
Trade receivables (net) (RM'000) ⁽¹⁾	323,092	125,322	3,326	2,358	454,098
% of total trade receivables	71.2	27.6	0.7	0.5	100.0
As at the LPD:					
Trade receivables settled (RM'000)	297,133	124,091	3,007	843	425,074
Trade receivables settled (% of total trade receivables)	92.0	99.0	90.4	35.8	93.6
Trade receivables outstanding (RM'000)	25,959	1,231	319	1,515	29,024

Note:

(1) After net of the allowance of impairment loss of RM22.9 million.

As at the LPD, we do not have any significant exposure to any customer which we believe is not recoverable. Further, there has been no significant increase in credit risk or changes in the gross carrying amount of trade receivables that have significantly affected the loss allowance since the initial recognition of the trade receivables.

(v) Inventory turnover

The following table sets out a summary breakdown of our inventories for the Financial Years Under Review:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Consumables, spares and supplies, at cost	78,204	89,581	98,537
Less: Allowance for inventory obsolescence	(17,161)	(21,639)	(14,353)
Total	61,043	67,942	84,184

Our inventory turnover periods for the FYEs 31 December 2022, 2023, and 2024 were 7 days, 8 days, and 10 days, respectively.

Our inventories primarily comprise consumables, spare parts, and repair materials, and are measured using the weighted average method. In line with our inventory holding policy, our Group maintains and regularly reviews inventory levels to align with operational requirements, ensuring the availability of supplies while minimising excess stock. While the inventory turnover periods for the Financial Years Under Review were computed using a standard formula, our inventory levels and the corresponding allowances for inventory obsolescence remained consistent with our inventory holding policy.

12. FINANCIAL INFORMATION (Cont'd)

During the Financial Years Under Review, we recognised allowances for inventory obsolescence, reflecting impairment losses from obsolete inventories. There were no inventory write-offs during the Financial Years Under Review.

12.2.12 Off-balance sheet arrangements

We did not have any off-balance sheet arrangements during the Financial Years Under Review.

12.2.13 Financial risk management

We are exposed to certain financial risks arising from our operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and hedging activities and liquidity risk.

Financial risk management is established to ensure that adequate resources are available for the development of our businesses, while effectively managing the aforesaid key financial risks. We operate within policies and procedures approved by our Board to ensure the effectiveness of the risk management process.

Our key financial risks are as follows:

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Our exposure to credit risk arises primarily from trade and other receivables. For cash and bank balances, we minimise credit risk by dealing exclusively with high credit rating institutions.

Our objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. We trade only with recognised and creditworthy third parties. It is our Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. Our exposure to liquidity risk arises primarily from mismatches of the maturities of our financial assets and liabilities. Our objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market interest rates. Our exposure to interest rate risk arises primarily from our borrowings. Our investments in financial assets are mainly short term in nature and mostly placed in financial deposits.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates arise primarily from our operating activities when revenue or expense are denominated in a different currency from our functional currency. The foreign exchange exposures in transactional currencies other than our functional currency are kept to an acceptable level.

12. FINANCIAL INFORMATION (Cont'd)***Hedging activities and liquidity risk***

In relation to cash flow hedge for asset acquisition, our Group has entered into forward exchange contracts to limit our exposure on foreign currency exchange risk in relation to the payments to the asset suppliers.

The hedged firm commitments denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as of year end relates to purchases of assets and will be included in the carrying amount of the assets acquired.

12.2.14 Treasury policy and objectives

Our treasury responsibilities are to ensure that we have sufficient liquidity and cash to meet financial obligations when it falls due. Our principal sources of liquidity are our cash and bank balances, cash generated from our operations and borrowings from financial institutions.

We maintain a prudent borrowing policy which is aimed towards maintaining sufficient cash for all cash flow requirements, managing debt and investment portfolio within the relevant time buckets to maturity, obtaining a diverse range of funding source and keeping an adequate amount of credit facilities. With a series of appropriate governance and policies in place, it is the responsibility of treasury to identify, quantify, monitor and control the risks (liquidity, interest, credit, legal and regulatory) associated with these activities.

We prepare monthly forecasts taking into account all major transactions to ensure we have sufficient liquidity and cash to meet our obligation. Any excess funds, which are temporary in nature, will be invested in highly liquid investment instruments such as interest-bearing current accounts, time deposits and money market deposits. We also perform rolling twelve-month cash flow projections to ensure that requirements are identified as early as possible, and we have sufficient cash to meet operational needs. Such projections take into consideration our financing plans and are also used for monitoring of external loans' covenant compliance.

12.2.15 Inflation

Inflation has not had a material impact on our business, financial condition or results of operations for the Financial Years Under Review. However, inflation may affect our financial performance by increasing certain of our expenses, such as expenses relating to employee benefits. Any increase in the inflation rate beyond levels experienced in the past may affect our operations and financial performance if we are unable to fully offset higher costs through increased revenue.

12.2.16 Government / economic / fiscal / monetary policies

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are set out in Sections 5.1.1 and 5.1.2 of this Prospectus.

12.2.17 Order book

Due to the nature of our business, we do not maintain an order book.

12.2.18 Trends information

Save as disclosed in this Section and in Sections 5, 7 and 8 of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our financial condition and results of operations.

12. FINANCIAL INFORMATION (Cont'd)

12.2.19 Significant changes

Save as disclosed elsewhere in the Prospectus, no significant changes have occurred since 31 December 2024 which may have a material effect on our financial position and results of operations.

12.2.20 Accounting standards issued that are not yet effective

For a description of accounting standards that are issued but not yet effective and not adopted, see Note 2.3 of the Accountants' Report in Section 13 of this Prospectus.

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12. FINANCIAL INFORMATION (Cont'd)**12.3 CAPITALISATION AND INDEBTEDNESS**

The following table sets out our consolidated capitalisation and indebtedness as at 30 April 2025 and on the assumption that our IPO and Listing as set out in Section 4 of this Prospectus had occurred on a date no earlier than 60 days prior to the date of the prospectus. The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 30 April 2025 and is provided for illustrative purposes only.

	Unaudited as at 30 April 2025 RM'000	Adjustments ⁽¹⁾ RM'000	After our IPO and Listing RM'000
Indebtedness			
<u>Current</u>			
Secured and guaranteed:			
- Borrowings	8,835		8,835
Unsecured and unguaranteed:			
- Borrowings	1,142,733		1,142,733
- Lease liabilities	67,999		67,999
- Concession liabilities	96,826		96,826
<u>Non-current</u>			
Secured and guaranteed:			
- Borrowings	282,495		282,495
Unsecured and unguaranteed:			
- Borrowings	3,938,172		3,938,172
- Lease liabilities	350,076		350,076
- Concession liabilities	2,473,047		2,473,047
Total indebtedness	8,360,183		8,360,183
Equity attributable to owners of our Company	5,099,659	[•]	[•]
Total capitalisation and indebtedness	13,459,842		[•]

Note:

- (1) After taking into account estimated listing expenses of approximately RM[•] million as at 30 April 2025.

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12. FINANCIAL INFORMATION (Cont'd)**12.4 REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
Ground Floor, Wisma Budiman
Persiaran Raja Chulan
50200 Kuala Lumpur

[] 2025

PwC/REES/MMCPH/GWF/EK/SAR/PNN

Dear Sirs,

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statements of Financial Position of MMC Port Holdings Berhad

We have completed our reasonable assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of MMC Port Holdings Berhad (the "Company") as at 31 December 2024 (the "Pro Forma Consolidated Statements of Financial Position"). The Pro Forma Consolidated Statements of Financial Position (which we have stamped for the purpose of identification), have been compiled by the Directors of the Company (the "Directors") for submission to the Securities Commission Malaysia ("SC") in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

The basis of which the Directors have compiled the Pro Forma Consolidated Statements of Financial Position are described in the notes thereon to the Pro Forma Consolidated Statements of Financial Position and are specified in paragraphs 9.18 and 9.20 of Chapter 9 Part II Division I: Equity of the Prospectus Guidelines issued by the SC ("Prospectus Guidelines").

Directors' Responsibilities for the Pro Forma Consolidated Statements of Financial Position

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Directors to illustrate the impact of the events or transactions as set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position on the Company's consolidated statement of financial position as at 31 December 2024 presented had the events or transactions been effected on that date. As part of this process, information about the Company's consolidated financial position has been extracted by the Directors from the Company's consolidated financial statements for the financial year ended 31 December 2024 as contained in the Company's Accountants' Report, on which an audit opinion has been issued on [] 2025.

*PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P O Box 10192, 50706 Kuala Lumpur Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my*

12. FINANCIAL INFORMATION (Cont'd)

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/REES/MMCPH/GWF/EK/SAR/PNN
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statements of Financial Position of MMC Port Holdings Berhad (continued)

Directors' Responsibilities for the Pro Forma Consolidated Statements of Financial Position (continued)

The Directors are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the Malaysian Institute of Accountants' ("MIA") Guidance Note for Issuers of Pro Forma Financial Information.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

We conducted our engagement in accordance with the approved standard on assurance engagements in Malaysia, International Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" ("ISAE 3420"), issued by the MIA. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

12. FINANCIAL INFORMATION (Cont'd)



DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/REES/MMCPH/GWF/EK/SAR/PNN
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statements of Financial Position of MMC Port Holdings Berhad (continued)

Reporting Accountants' Responsibilities (continued)

The purpose of the Pro Forma Consolidated Statements of Financial Position included in the submission to SC is solely to illustrate the impact of significant events or transactions on the unadjusted consolidated financial information of the Company as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at that date would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria as disclosed in the notes thereon used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provides a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company and its subsidiaries, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

12. FINANCIAL INFORMATION (Cont'd)



DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/REES/MMCPH/GWF/EK/SAR/PNN
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statements of Financial Position of MMC Port Holdings Berhad (continued)

Our Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

Restriction on Distribution and Use

This report is issued for the sole purpose of submission to the SC in connection with the IPO and Listing and should not be used or relied upon for any other purpose. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

Yours faithfully,

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur

GAN WEE FONG
03253/01/2027 J
Chartered Accountant

12. FINANCIAL INFORMATION (Cont'd)**MMC PORT HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****1. INTRODUCTION**

The Pro Forma Consolidated Statements of Financial Position ("Pro Forma Consolidated SOFP") of MMC Port Holdings Berhad (the "Company") and its subsidiaries (collectively referred to as the "Group") together with the notes thereon, of which the Directors are solely responsible, have been prepared for the purposes of submission to the Securities Commission Malaysia ("SC") in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

2. MATERIAL COMPLETED TRANSACTION

Paragraph 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines"), requires the effects of the following material completed transaction to be illustrated in the Pro Forma Consolidated SOFP:

Distribution of dividend

The Company had declared an interim dividend of RM30.0 million for the financial year ending ("FYE") 31 December 2025 to its existing shareholder on 21 March 2025, with the dividend payment made on 24 March 2025. The distribution and payment of the abovementioned dividend is illustrated in the Pro Forma Consolidated SOFP to show the effects of this transaction had this transaction been effected on 31 December 2024.

3. THE PROPOSALS

The Company will undertake the following transactions in conjunction with and as an integral part of the Listing. The following proposals are viewed as one exercise being undertaken and are illustrated in accordance with Paragraph 9.18 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines.

3.1 Pre-IPO Dividend

The Company intends to declare and pay a dividend of up to RM255.0 million for the FYE 31 December 2025 ("Pre-IPO Dividend"), with the payment scheduled for completion in July 2025.

As it is merely an intention, the proposed Pre-IPO Dividend has not been illustrated in the Pro Forma Consolidated SOFP. The effects on the consolidated net assets attributable to owners of the Company assuming completion of the Pre-IPO Dividend is included in Note 5.

3.2 Proposed Subdivision

The Company proposes to undertake a subdivision of the existing 3,560,000,000 ordinary shares into 14,240,000,000 ordinary shares ("Proposed Subdivision"). Upon the completion of the Proposed Subdivision, the Company will have 14,240,000,000 ordinary shares. The Proposed Subdivision does not have any financial impact on the Pro Forma Consolidated SOFP.

12. FINANCIAL INFORMATION (Cont'd)

3.3 Proposed IPO

After the Proposed Subdivision, the Company proposes to undertake the proposed IPO of up to 4,272,000,000 ordinary shares comprising an offer for sale of up to 4,272,000,000 existing ordinary shares ("Offer Shares") by the existing shareholder of the Company, MMC Corporation Berhad ("Selling Shareholder"), representing 30.0% of the issued ordinary shares, at an indicative price of RM[●] per Offer Share ("Proposed IPO") and subject to the clawback and reallocation provisions and the over-allotment option.

The Proposed IPO does not have any financial impact on the Pro Forma Consolidated SOFP.

3.3.1 Use of Proceeds

As the Company will not be issuing any new ordinary shares under the Proposals, no proceeds will be received from the Proposed IPO.

The gross proceeds from the Proposed IPO of up to RM[●] billion will accrue entirely to the Selling Shareholder and will be utilised by the Selling Shareholder.

Fees and expenses for the Proposed IPO and Listing

The estimated fees and expenses for the Proposed IPO and Listing to be borne by the Company are estimated to be RM[●] million, comprising the following:

Details of expenses	RM'000
Professional fees ⁽¹⁾	[●]
Fees payable to authorities	[●]
Other fees and expenses relating to the IPO and the Listing ⁽²⁾	[●]
Total	[●]

Notes:

- (1) This includes professional fees for, among others, the Principal Adviser, legal advisers, Reporting Accountants, Independent Market Researcher, translator, Issuing House and Share Registrar.
- (2) This includes related fees and expenses in connection with the Proposed IPO and Listing, such as printing, advertising, travel and roadshow expenses, media related expenses and Proposed IPO and Listing's event expenses.

The Selling Shareholder will bear the brokerage fee, underwriting fee, placement fee as well as other miscellaneous expenses in relation to the Proposed IPO. This has not been illustrated in the Pro Forma Consolidated SOFP.

The fees and expenses to be borne by the Company are estimated to be RM[●] million, of which RM3.6 million has been charged to the profit or loss of the Group in FYE 31 December 2024. Out of the RM3.6 million, RM[●] million has been paid and RM[●] million is included in Trade and Other Payables as at 31 December 2024.

For the purpose of the illustration in the Pro Forma Consolidated SOFP, the remaining balance amounting to RM[●] million are assumed to be paid after 31 December 2024 with RM[●] million to be expensed off and included in the Retained Profits after 31 December 2024.

12. FINANCIAL INFORMATION (Cont'd)**4 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

The Pro Forma Consolidated SOFP as at 31 December 2024 have been prepared for illustrative purposes only to show the effects on the audited consolidated SOFP of the Company as at 31 December 2024 based on the assumption that the Material Completed Transaction and the Proposals set out in Note 2 and Note 3 respectively had been effected on that date, and should be read in conjunction with the notes in this section.

	Audited	Pro Forma I	Pro Forma II
	Consolidated SOFP as at 31 December 2024	After the Material Completed Transaction	After Pro Forma I and the Proposals
	RM'000	RM'000	RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	3,704,834	3,704,834	3,704,834
Concession assets	6,070,913	6,070,913	6,070,913
Right-of-use assets	458,667	458,667	458,667
Investment properties	380,617	380,617	380,617
Investments in joint ventures	166,682	166,682	166,682
Intangible assets	1,806,565	1,806,565	1,806,565
Trade and other receivables	4,676	4,676	4,676
Deferred tax assets	107,645	107,645	107,645
	<u>12,700,599</u>	<u>12,700,599</u>	<u>12,700,599</u>
CURRENT ASSETS			
Inventories	84,184	84,184	84,184
Trade and other receivables	629,736	629,736	629,736
Derivative financial instruments	780	780	780
Tax recoverable	49,472	49,472	49,472
Other investments	1,527,446	1,527,446	1,527,446
Cash and bank balances	347,297	317,297	[•]
	<u>2,638,915</u>	<u>2,608,915</u>	<u>[•]</u>
Assets classified as held for sale	22,862	22,862	22,862
	<u>2,661,777</u>	<u>2,631,777</u>	<u>[•]</u>
TOTAL ASSETS	<u>15,362,376</u>	<u>15,332,376</u>	<u>[•]</u>
EQUITY AND LIABILITIES			
Share capital	3,560,000	3,560,000	3,560,000
Reserves	1,362,288	1,332,288	[•]
Equity attributable to the owners of the Company	4,922,288	4,892,288	[•]
Non-controlling interests	878,437	878,437	878,437
TOTAL EQUITY	<u>5,800,725</u>	<u>5,770,725</u>	<u>[•]</u>

12. FINANCIAL INFORMATION (Cont'd)

	Audited	Pro Forma I	Pro Forma II
	Consolidated SOFP as at 31 December 2024	After the Material Completed Transaction	After Pro Forma I and the Proposals
	RM'000	RM'000	RM'000
NON-CURRENT LIABILITIES			
Borrowings	4,432,528	4,432,528	4,432,528
Concession liabilities	2,500,007	2,500,007	2,500,007
Lease liabilities	345,129	345,129	345,129
Trade and other payables	18,049	18,049	18,049
Contract liabilities	91,127	91,127	91,127
Provision for defined benefit obligation	50,407	50,407	50,407
Deferred income	54,682	54,682	54,682
Deferred tax liabilities	76,483	76,483	76,483
	<u>7,568,412</u>	<u>7,568,412</u>	<u>7,568,412</u>
CURRENT LIABILITIES			
Trade and other payables	854,817	854,817	[●]
Provision for defined benefit obligation	4,999	4,999	4,999
Lease liabilities	77,350	77,350	77,350
Borrowings	932,522	932,522	932,522
Concession liabilities	95,008	95,008	95,008
Deferred income	3,257	3,257	3,257
Derivative financial instruments	21,582	21,582	21,582
Tax payable	3,704	3,704	3,704
	<u>1,993,239</u>	<u>1,993,239</u>	<u>[●]</u>
TOTAL LIABILITIES	9,561,651	9,561,651	[●]
TOTAL EQUITY AND LIABILITIES	<u>15,362,376</u>	<u>15,332,376</u>	<u>[●]</u>
Supplementary information:			
Net assets ⁽ⁱ⁾ (RM'000)	4,922,288	4,892,288	[●]
Number of ordinary shares in issue ('000)	3,560,000	3,560,000	14,240,000
Net assets per share attributable to the owners of the Company (RM)	1.38	1.37	[●]

⁽ⁱ⁾ Net assets represent equity attributable to the owners of the Company

12. FINANCIAL INFORMATION (Cont'd)**4.1 Basis of preparation**

The Pro Forma Consolidated SOFP as at 31 December 2024 have been prepared based on the audited consolidated SOFP of the Company as at 31 December 2024 as contained in the Company's Accountants' Report for the FYE 31 December 2024 ("Accountants' Report") on which an unmodified audit opinion has been issued. The Accountants' Report was prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10 of the Prospectus Guidelines.

The Pro Forma Consolidated SOFP have been prepared in a manner consistent with the format of the financial statements and accounting policies of the Group.

The Pro Forma Consolidated SOFP have been prepared in accordance with Paragraphs 9.18 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines and the Malaysian Institute of Accountants' Guidance Note for Issuers of Pro Forma Financial Information, for illustrative purposes only, to show the effects of the transactions as set out in Note 2 and Note 3 on the Company's audited consolidated SOFP as at 31 December 2024 had the events or transactions been effected on 31 December 2024, and should be read in conjunction with the Notes to the Pro Forma Consolidated SOFP.

Such information, because of its hypothetical nature, does not give a true picture of the actual effects of the transactions or events on the financial information presented had the transaction or event occurred on 31 December 2024. Further, such information does not purport to predict the Group's future financial position.

4.2 Adjustments to the Pro Forma Consolidated Statements of Financial Position**4.2.1 Pro Forma I**

Pro Forma I incorporated the effects of the Material Completed Transaction as set out in Note 2 above.

4.2.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I as set out in Note 2 and the Proposals set out in Note 3.

4.3 Notes to the Pro Forma Consolidated Statements of Financial Position**4.3.1 Cash and bank balances**

	RM'000
Audited as at 31 December 2024	347,297
Less: Dividend paid (Note 2)	(30,000)
Per Pro Forma Consolidated SOFP I	317,297
Less: Estimated expenses for the Proposed IPO and Listing (Note 3.3.1)	([•])
Per Pro Forma Consolidated SOFP II	[•]

12. FINANCIAL INFORMATION (Cont'd)**4.3.2 Reserves**

	Retained profits	Other reserves ⁽ⁱ⁾	Total reserves
	RM'000	RM'000	RM'000
Audited as at 31 December 2024	657,888	704,400	1,362,288
Less: Dividend paid (Note 2)	(30,000)	-	(30,000)
Per Pro Forma Consolidated SOFP I	627,888	704,400	1,332,288
Less: Estimated expenses for the Proposed IPO and Listing (Note 3.3.1)	([•])	-	([•])
Per Pro Forma Consolidated SOFP II	[•]	704,400	[•]

⁽ⁱ⁾ Reserves other than retained profits**4.3.3 Trade and other payables (Current)**

	RM'000
Audited as at 31 December 2024/ Per Pro Forma Consolidated SOFP I	854,817
Less: Estimated expenses for the Proposed IPO and Listing (Note 3.3.1)	([•])
Per Pro Forma Consolidated SOFP II	[•]

5. EFFECTS OF CONSOLIDATED NET ASSETS ATTRIBUTABLE TO THE OWNERS OF THE COMPANY ASSUMING COMPLETION OF THE PRE-IPO DIVIDEND

For illustrative purposes only, assuming the Pre-IPO Dividend, as set out in Note 3.1, had been effected on 31 December 2024 after Pro Forma II, the effects of the consolidated net assets attributable to the owners of the Company ("NA") as at 31 December 2024 is illustrated as follows:

	RM'000
Audited NA as at 31 December 2024	4,922,288
<u>Adjustments to effect Pro Forma Consolidated SOFP I</u>	
Less: Dividend paid (Note 2)	(30,000)
Per Pro Forma Consolidated SOFP I	4,892,288
<u>Adjustments to effect Pro Forma Consolidated SOFP II</u>	
Less: Estimated expenses for the Proposed IPO and Listing (Note 3.3.1)	([•])
Per Pro Forma Consolidated SOFP II	[•]
<u>Adjustments to illustrate the effects of the Pre-IPO Dividend</u>	
Less: Pre-IPO Dividend (Note 3.1)	(255,000)
Illustrative NA as at 31 December 2024 after incorporating the effects of the Pre-IPO Dividend	[•]

12. FINANCIAL INFORMATION (Cont'd)

6. APPROVAL BY BOARD OF DIRECTORS

The Pro Forma Consolidated Statements of Financial Position have been approved for issue in accordance with a resolution of the Board of Directors of MMC Port Holdings Berhad on [] 2025.

Signed on behalf of the Board of Directors

.....
TAN SRI CHE KHALIB MOHAMAD NOH
DIRECTOR

.....
JOHARI ABDUL MUID
DIRECTOR

12. FINANCIAL INFORMATION (Cont'd)**12.5 DIVIDEND POLICY**

For information purposes, the following table sets out our Company's dividends declared for the Financial Years Under Review and period indicated and paid as of the date of this Prospectus and the corresponding dividend pay-out ratio:

	FYE 31 December		
	2022	2023	2024
	RM'000	RM'000	RM'000
Dividends declared and paid	250,001	500,355	510,002
PATAMI	471,816	701,127	636,560
Dividend payout ratio ⁽¹⁾ (%)	53.0	71.4	80.1

Note:

(1) Computed based on dividends declared divided by PATAMI for the Financial Years Under Review.

We declared and paid an interim dividend of RM30.0 million for the FYE 31 December 2025 in March 2025 and further declared and paid an interim dividend of RM255.0 million for the FYE 31 December 2025 in July 2025 using our internally generated funds. The aforesaid interim dividends do not affect the execution and implementation of our future plans and strategies as mentioned in this Prospectus.

As our Company is a holding company and we conduct substantially all of our operations through our subsidiaries, our income and therefore, our ability to pay dividends is dependent upon the dividends that we receive from our subsidiaries. The ability of our subsidiaries to pay dividends or make other distributions to our Company in the future will depend upon their distributable profits, operating results, earnings, capital expenditure plans, general financial condition, compliance with certain financial covenants under certain debt facilities entered into by our subsidiaries and other factors that the board of directors of each subsidiary deems relevant. Dividends may only be paid out of distributable reserves and under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries.

We target a payout ratio of not less than 60.0% of our PATAMI for each financial year on a consolidated basis after taking into account working capital, maintenance capital and committed capital requirements of our Group. The declaration and payments of any dividend is subject to the confirmation of our Board as well as any applicable law, licence conditions and contractual obligations, certain Sukuk restrictive covenants which our Company is subject to and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board. As at the LPD, there are no dividend restrictions imposed on our subsidiaries.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our Company's future dividends which are subject to modification (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend pay-outs. See Section 5.3.3 of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

13. ACCOUNTANTS' REPORT

MMC PORT HOLDINGS BERHAD
(Incorporated in Malaysia)
Registration No. 200601028801 (748557-X)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022, 31 DECEMBER 2023
AND 31 DECEMBER 2024

0400C/sw

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	<u>Note</u>	<u>Financial year ended</u>		
		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
		RM'000	RM'000	RM'000
		Audited	Audited	Audited
Revenue	4	4,058,078	3,961,040	4,356,507
Other operating income	5	88,860	203,929	48,584
Operating expenditure				
- employees' benefits expense	6	(890,442)	(958,104)	(1,033,271)
- depreciation of property, plant and equipment, right-of-use assets and investment properties		(505,899)	(487,257)	(501,640)
- amortisation of concession assets and intangible assets		(214,505)	(205,399)	(213,216)
- fuel and utilities		(360,429)	(348,662)	(345,224)
- repairs and maintenance		(299,604)	(281,867)	(347,232)
- construction contract cost		(187,243)	(114,249)	(227,228)
- others		(569,141)	(506,543)	(431,065)
Net (provision)/reversal of impairment loss on trade and other receivables		(1,296)	(10,794)	805
Operating profit		1,118,379	1,252,094	1,307,020
Share of results of an associate	16	1,111	986	282
Share of results of joint ventures	17	35,785	7,576	5,453
Profit before interest and tax		1,155,275	1,260,656	1,312,755
Finance income		54,849	77,537	68,281
Finance costs	8	(380,584)	(392,239)	(390,363)
Profit before zakat and tax	7	829,540	945,954	990,673
Zakat expense		(5,131)	(1,845)	(4,427)
Taxation	9	(254,545)	(138,647)	(225,127)
Profit for the financial year		569,864	805,462	761,119

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
(Incorporated in Malaysia)
Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)**

	<u>Note</u>	<u>Financial year ended</u>		
		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
Other comprehensive income/(loss):				
Item that may be reclassified subsequently to profit or loss:				
Fair value adjustment - cash flow hedge		200	7,380	(45,540)
Item that will not be reclassified to profit or loss:				
Remeasurement of defined benefit obligations		2,137	(939)	(2,343)
Other comprehensive income for the financial year		2,337	6,441	(47,883)
Total comprehensive income for the financial year		572,201	811,903	713,236
Profit attributable to:				
Owner of the Company		471,816	701,127	636,560
Non-controlling interests		98,048	104,335	124,559
		569,864	805,462	761,119
Total comprehensive income attributable to:				
Owner of the Company		473,526	705,980	602,407
Non-controlling interests		98,675	105,923	110,829
		572,201	811,903	713,236
Earnings per ordinary share attributable to the equity holders of the Company:				
- Basic	10	13.3	19.8	17.9
- Diluted	10	10.2	19.8	17.9

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
NON-CURRENT ASSETS				
Property, plant and equipment	12	3,441,427	3,645,656	3,704,834
Concession assets	13	5,996,081	5,933,698	6,070,913
Right-of-use assets	14(a)	563,265	492,949	458,667
Investment properties	15	431,141	313,643	380,617
Investment in an associate	16	12,508	13,494	-
Investments in joint ventures	17	154,230	161,806	166,682
Intangible assets	18	1,922,150	1,919,044	1,806,565
Trade and other receivables	20	1,025,155	157,133	4,676
Deferred tax assets	31	302,396	228,356	107,645
		<u>13,848,353</u>	<u>12,865,779</u>	<u>12,700,599</u>
CURRENT ASSETS				
Inventories	19	61,043	67,942	84,184
Trade and other receivables	20	585,836	672,555	629,736
Derivative financial instruments	32	3,628	376	780
Tax recoverable		14,957	26,100	49,472
Other investments	21	1,378,075	1,191,751	1,527,446
Cash and bank balances	22	442,428	426,700	347,297
		<u>2,485,967</u>	<u>2,385,424</u>	<u>2,638,915</u>
Assets classified as held for sale	23	4,919	1,799	22,862
		<u>2,490,886</u>	<u>2,387,223</u>	<u>2,661,777</u>
TOTAL ASSETS		<u><u>16,339,239</u></u>	<u><u>15,253,002</u></u>	<u><u>15,362,376</u></u>
EQUITY AND LIABILITIES				
Share capital	24	4,614,402	3,546,417	3,560,000
Reserves		<u>1,122,813</u>	<u>1,388,611</u>	<u>1,362,288</u>
		<u>5,737,215</u>	<u>4,935,028</u>	<u>4,922,288</u>
Non-controlling interests	33	831,947	843,813	878,437
TOTAL EQUITY		<u><u>6,569,162</u></u>	<u><u>5,778,841</u></u>	<u><u>5,800,725</u></u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
NON-CURRENT LIABILITIES				
Borrowings	27	5,349,368	4,986,253	4,432,528
Concession liabilities	28	2,417,885	2,478,682	2,500,007
Lease liabilities	14(b)	162,583	119,460	345,129
Trade and other payables	25	18,380	18,747	18,049
Contract liabilities	26	97,960	94,543	91,127
Provision for defined benefit obligation	29	47,653	47,986	50,407
Deferred income	30	61,198	57,941	54,682
Deferred tax liabilities	31	108,116	76,931	76,483
		<u>8,263,143</u>	<u>7,880,543</u>	<u>7,568,412</u>
CURRENT LIABILITIES				
Trade and other payables	25	1,028,285	993,190	854,817
Provision for defined benefit obligation	29	8,528	4,764	4,999
Lease liabilities	14(b)	79,107	54,332	77,350
Borrowings	27	174,040	389,406	932,522
Concession liabilities	28	181,939	121,282	95,008
Deferred income	30	3,257	3,257	3,257
Derivative financial instruments	32	1,984	12,529	21,582
Tax payable		29,794	14,858	3,704
		<u>1,506,934</u>	<u>1,593,618</u>	<u>1,993,239</u>
TOTAL LIABILITIES		<u>9,770,077</u>	<u>9,474,161</u>	<u>9,561,651</u>
TOTAL EQUITY AND LIABILITIES		<u>16,339,239</u>	<u>15,253,002</u>	<u>15,362,376</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

<u>Audited</u>	<u>Note</u>	<u>Share capital</u> RM'000	<u>Merger reserves</u> RM'000	<u>Cash flow hedge reserve</u> RM'000	<u>Retained profits</u> RM'000	<u>Total attributable to owners of the Company</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total equity</u> RM'000
At 1 January 2022		4,603,018	734,198	(3,353)	78,165	5,412,028	809,341	6,221,369
Net profit for the financial year		-	-	-	471,816	471,816	98,048	569,864
Other comprehensive income:								
Fair value movement on derivative		-	-	(427)	-	(427)	627	200
Remeasurement of defined benefit obligations		-	-	-	2,137	2,137	-	2,137
Total comprehensive income		-	-	(427)	473,953	473,526	98,675	572,201
Transactions with owners:								
Issuance of redeemable convertible preference shares	24	142,230	-	-	-	142,230	-	142,230
Transfer of redeemable convertible preference shares of a subsidiary to retained profits upon disposal of the subsidiary	24	(130,846)	-	-	130,846	-	-	-
Purchase of additional shares in a subsidiary from non-controlling interests		-	-	-	-	-	(74)	(74)
Effect of disposal of a subsidiary under common control	41(c)	-	-	-	(40,568)	(40,568)	-	(40,568)
Dividends for financial year ended 31 December 2022	11	-	-	-	(250,001)	(250,001)	-	(250,001)
Dividends paid to non-controlling interests		-	-	-	-	-	(75,995)	(75,995)
Total transactions with owners		11,384	-	-	(159,723)	(148,339)	(76,069)	(224,408)
At 31 December 2022		<u>4,614,402</u>	<u>734,198</u>	<u>(3,780)</u>	<u>392,395</u>	<u>5,737,215</u>	<u>831,947</u>	<u>6,569,162</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

<u>Audited</u>	<u>Note</u>	<u>Share capital</u> RM'000	<u>Merger reserves</u> RM'000	<u>Cash flow hedge reserve</u> RM'000	<u>Retained profits</u> RM'000	<u>Total attributable to owners of the Company</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total equity</u> RM'000
At 1 January 2023		4,614,402	734,198	(3,780)	392,395	5,737,215	831,947	6,569,162
Net profit for the financial year		-	-	-	701,127	701,127	104,335	805,462
Other comprehensive income:								
Fair value movement on derivative		-	-	5,792	-	5,792	1,588	7,380
Remeasurement of defined benefit obligations		-	-	-	(939)	(939)	-	(939)
Total comprehensive income		-	-	5,792	700,188	705,980	105,923	811,903
Transactions with owners:								
Redemption of redeemable convertible preference shares	24	(1,067,985)	-	-	-	(1,067,985)	-	(1,067,985)
Changes in ownership interests in a subsidiary	41(d)	-	-	-	(1,034)	(1,034)	(18,002)	(19,036)
Effect of restructuring of commonly controlled entities	24	-	-	-	61,207	61,207	-	61,207
Dividends for financial year ended 31 December 2023	11	-	-	-	(500,355)	(500,355)	-	(500,355)
Dividends paid to non-controlling interests		-	-	-	-	-	(76,055)	(76,055)
Total transactions with owners		(1,067,985)	-	-	(440,182)	(1,508,167)	(94,057)	(1,602,224)
At 31 December 2023		<u>3,546,417</u>	<u>734,198</u>	<u>2,012</u>	<u>652,401</u>	<u>4,935,028</u>	<u>843,813</u>	<u>5,778,841</u>

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
(Incorporated in Malaysia)
Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

<u>Audited</u>	<u>Note</u>	<u>Share capital</u> RM'000	<u>Merger reserves</u> RM'000	<u>Cash flow hedge reserve</u> RM'000	<u>Retained profits</u> RM'000	<u>Total attributable to owners of the Company</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total equity</u> RM'000
At 1 January 2024		3,546,417	734,198	2,012	652,401	4,935,028	843,813	5,778,841
Net profit for the financial year		-	-	-	636,560	636,560	124,559	761,119
Other comprehensive income:								
Fair value movement on derivative		-	-	(31,810)	-	(31,810)	(13,730)	(45,540)
Remeasurement of defined benefit obligations		-	-	-	(2,343)	(2,343)	-	(2,343)
Total comprehensive income		-	-	(31,810)	634,217	602,407	110,829	713,236
Transactions with owners:								
Issuance of ordinary shares	24	13,583	-	-	-	13,583	-	13,583
Effect of disposal of a subsidiary under common control	41(c)	-	-	-	(118,728)	(118,728)	-	(118,728)
Dividends for financial year ended 31 December 2024	11	-	-	-	(510,002)	(510,002)	-	(510,002)
Dividends paid to non-controlling Interests		-	-	-	-	-	(76,205)	(76,205)
Total transactions with owners		13,583	-	-	(628,730)	(615,147)	(76,205)	(691,352)
At 31 December 2024		3,560,000	734,198	(29,798)	657,888	4,922,288	878,437	5,800,725

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
OPERATING ACTIVITIES				
Profit before zakat and taxation		829,540	945,954	990,673
Adjustments for:				
Depreciation of:				
- property, plant and equipment	12	416,138	393,755	391,995
- right-of-use assets	14(a)	79,741	81,310	97,439
- investment properties	15	10,020	12,192	12,206
Amortisation of:				
- concession assets	13	209,091	199,985	211,193
- intangible assets	18	5,414	5,414	2,023
- deferred income	30	(3,257)	(3,257)	(3,259)
Share of results of an associate	16	(1,111)	(986)	(282)
Share of results of joint ventures	17	(35,785)	(7,576)	(5,453)
Finance income		(54,849)	(77,537)	(68,281)
Finance costs	8	380,584	392,239	390,363
Impairment of:				
- trade receivables	20(a)	2,146	12,013	6,872
- other receivables	20(f)	751	711	568
Write down of assets held for sale	23	-	2,245	-
Write-off of:				
- property, plant and equipment	12	84,785	5,812	428
- concession assets	13	-	2,897	4,147
- investment properties	15	50	-	-
Reversal of impairment loss on:				
- trade receivables	20(a)	(1,601)	(1,930)	(3,047)
- other receivables	20(f)	-	-	(5,198)
(Gain)/Loss on disposal of:				
- property, plant and equipment	5	(9,753)	(11,230)	(2,362)
- assets held for sale	5	610	(459)	49
- investment properties	5	-	(148,657)	-
Loss/(Gain) on derecognition of:				
- concession assets		935	-	-
- right-of-use assets	5	(51,760)	-	-
Unrealised foreign exchange loss	7	50	-	-
Provision for defined benefit obligation	29	7,402	6,664	5,916
(Reversal of allowance)/Allowance for slow moving stocks	19	(19,050)	4,478	(7,286)
		<u>1,850,091</u>	<u>1,814,037</u>	<u>2,018,704</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
OPERATING ACTIVITIES (CONTINUED)				
Changes in working capital:				
Inventories		(21,568)	(11,377)	(8,961)
Trade and other receivables		9,430	(99,189)	(75,740)
Trade and other payables		41,600	32,688	88,243
Cash generated from operations		1,879,553	1,736,159	2,022,246
Income tax paid		(169,469)	(126,360)	(130,078)
Zakat paid		(5,131)	(1,845)	(4,427)
Retirement benefits paid	29	(5,546)	(11,331)	(4,790)
Net cash flow generated from operating activities		1,699,407	1,596,623	1,882,951
INVESTING ACTIVITIES				
Net cash proceeds from disposal of a subsidiary	41(c)	-	-	297,024
Repayment of promissory notes from immediate holding company		90,000	-	-
Proceeds from liquidation of a joint venture	17	-	-	423
Interest received		54,849	77,537	68,281
Proceeds from disposal of:				
- property, plant and equipment		12,339	14,486	4,497
- assets held for sale		600	1,334	255
Finance lease payments received		5,685	157,122	56,417
Proceeds from derecognition of:				
- right-of-use assets		51,766	-	-
Purchase of:				
- property, plant and equipment		(420,083)	(696,248)	(524,268)
- concession assets		(191,309)	(113,238)	(234,449)
- investment properties		(94,265)	(28,531)	(1,258)
- intangible assets		(1,035)	(2,308)	(7,930)
Government grant received		15,000	-	-
Placement of deposits with maturity more than 90 days		(234,893)	(244,347)	(234,221)
Redemption of deposits with maturity more than 90 days		193,645	154,410	243,850
Redemption of other investments		8,337,640	5,431,682	6,383,259
Purchase of other investments		(8,372,351)	(5,245,358)	(6,718,954)
Net cash flow used in investing activities		(552,412)	(493,459)	(667,074)

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
FINANCING ACTIVITIES				
Interest paid		(242,865)	(237,686)	(238,145)
Lease liabilities paid		(76,600)	(85,496)	(104,711)
Concession liabilities paid		(140,452)	(166,101)	(158,775)
Drawdown of borrowings		1,761,056	21,870	368,000
Repayment of borrowings		(2,074,720)	(174,065)	(394,575)
Dividend paid		(250,001)	(500,355)	(510,002)
Dividends paid to non-controlling interests of subsidiaries		(75,995)	(76,055)	(76,205)
Advances from immediate holding company		223,541	88,744	17,839
Repayment to immediate holding company		(149,541)	(58,011)	(189,077)
Purchase of additional shares in a subsidiary from non-controlling interests		(74)	(19,036)	-
Redemption of redeemable convertible preference shares	24	-	(2,638)	-
Net cash flow used in financing activities		<u>(1,025,651)</u>	<u>(1,208,829)</u>	<u>(1,285,651)</u>
Net changes in cash and cash equivalents		121,344	(105,665)	(69,774)
Cash and cash equivalents at beginning of the financial year		<u>268,427</u>	<u>389,771</u>	<u>284,106</u>
Cash and cash equivalents at end of the financial year	22	<u>389,771</u>	<u>284,106</u>	<u>214,332</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**

Reconciliation of liabilities arising from financing activities:

	←----- Non-cash changes -----→					
	At 1 January RM'000	Cash flows RM'000	Addition/ Modification of liabilities RM'000	Finance cost RM'000	Others RM'000	At 31 December RM'000
31 December 2022						
Borrowings	5,847,584	(556,529)	-	247,086	(14,733)	5,523,408
Lease liabilities	272,688	(76,600)	31,669	13,933	-	241,690
Concession liabilities	2,076,364	(140,452)	546,502	117,410	-	2,599,824
Amount due to immediate holding company	487,449	74,000	-	2,155	(392,282)^	171,322
Total liabilities arising from financing activities	8,684,085	(699,581)	578,171	380,584	(407,015)	8,536,244
31 December 2023						
Borrowings	5,523,408	(389,881)	-	235,493	6,639	5,375,659
Lease liabilities	241,690	(85,496)	6,368	11,230	-	173,792
Concession liabilities	2,599,824	(166,101)	20,725	145,516	-	2,599,964
Amount due to immediate holding company	171,322	30,733	-	-	(24,267)^	177,788
Total liabilities arising from financing activities	8,536,244	(610,745)	27,093	392,239	(17,628)	8,327,203
31 December 2024						
Borrowings	5,375,659	(264,720)	-	224,960	29,151	5,365,050
Lease liabilities	173,792	(104,711)	339,300	17,421	(3,323)	422,479
Concession liabilities	2,599,964	(158,775)	5,844	147,982	-	2,595,015
Amount due to immediate holding company	177,788	(171,238)	-	-	(6,459)	91
Total liabilities arising from financing activities	8,327,203	(699,444)	345,144	390,363	19,369	8,382,635

Includes redemption of redeemable convertible preference shares, as disclosed in Note 24.

^ Reduction arising from balances owed by a former subsidiary, amounting to RM242 million.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**1 GENERAL INFORMATION**

MMC Port Holdings Sdn. Bhd. (the "Company") was incorporated as a private limited liability company in Malaysia on 26 September 2006 under the name of MMC Ventures Sdn. Bhd. and the Company changed its name to MMC Port Holdings Sdn. Bhd. on 15 July 2015. On 30 May 2025, the Company was converted to a public limited liability company and assumed the name of MMC Port Holdings Berhad.

The address of the registered office of the Company is located at Ground Floor, Wisma Budiman, Persiaran Raja Chulan, 50200 Kuala Lumpur. The principal office of business of the Company is 5th Floor, Wisma Budiman, Persiaran Raja Chulan, 50200 Kuala Lumpur.

The ultimate, penultimate and immediate holding company are Indra Cita Sdn. Bhd., Seaport Terminal (Johore) Sdn. Bhd. and MMC Corporation Berhad. These companies are incorporated in Malaysia.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, associate and joint ventures are shown in Note 33, 16 and 17.

2 MATERIAL ACCOUNTING POLICY INFORMATION**2.1 Basis of preparation**

The financial statements of the Company and its subsidiaries, collectively known as "the Group", for the financial year ended 31 December 2022, 31 December 2023 and 31 December 2024 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") and the Prospectus Guidelines issued by the Securities Commission Malaysia for the purposes of the inclusion in the prospectus approved by the Board of Directors of the Company in connection with the initial public offering of the ordinary shares in the Company on the Main Market of Bursa Malaysia Securities Berhad.

The financial statements have been prepared under the historical cost convention, except as disclosed in this material accounting policy information.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

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

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

- 2.2 The new accounting standards, amendments and improvements to published standards and interpretations that are effective and applicable for the Group are as follows:

Standards, amendments to published standards and interpretations that are effective:

<u>Financial year ended 31 December 2022</u>	<u>Effective on/after</u>
Amendments to MFRS 3 'Reference to Conceptual Framework'	1 January 2022
Amendments to MFRS 116 'Proceeds before intended use'	1 January 2022
Amendments to MFRS 137 'Onerous contracts-cost of fulfilling a contract'	1 January 2022
Amendment to MFRS 9 'Fees in the '10 per cent test' for Derecognition of Financial Liabilities'	1 January 2022
Amendment to Illustrative Examples accompanying MFRS 16 Leases: Lease Incentives	1 January 2022
<u>Financial year ended 31 December 2023</u>	<u>Effective on/after</u>
Amendments to MFRS 101 and MFRS Practice Statement 2 'Disclosure of accounting policies'	1 January 2023
Amendments to MFRS 108 'Definition of accounting estimates'	1 January 2023
Amendments to MFRS 112 'Deferred tax assets and liabilities arising from a single transaction'	1 January 2023
Amendments to MFRS 112 'International tax reform – pillar two model rules'	1 January 2023
<u>Financial year ended 31 December 2024</u>	<u>Effective on/after</u>
Amendments to MFRS 16 'Lease liability in a sale and leaseback'	1 January 2024
Amendments to MFRS 101 'Classification of liabilities as current or non-current' and 'Non-current liabilities with covenants'	1 January 2024
Amendments to MFRS 107 and MFRS 7 'Supplier finance arrangements'	1 January 2024

The adoption of amendments listed above did not have any significant impact on the current financial year or any prior financial year and is not likely to affect future financial years except for the Amendments to MFRS 101 and MFRS Practice Statement 2. The Group disclosed its material accounting policies in the following notes.

IFRIC agenda decisions that are concluded and published

- IFRIC agenda decision - disclosure of revenues and expenses for reportable segments

During the financial year, the Group has assessed the implication of the IFRIC agenda decision on disclosure of revenues and expenses for reportable segments (MFRS 8 Operating segments), as disclosed in Note 35.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

- 2.3 The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board that are applicable to the Group but not yet effective.

The Group will apply the new standards, amendments and interpretations in the following period:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 'Lack of exchangeability'

Amendments to MFRS 121 'Lack of Exchangeability' clarify that a currency is exchangeable when an entity is able to exchange it into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. If an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, then the currency is not exchangeable. In such cases, the entity is required to estimate the spot exchange rate at the measurement date.

The amendments do not specify how an entity estimates the spot exchange rate, but permit an entity to use observable exchange rate without adjustment or another estimation technique, provided it could meet the objective for estimating the spot exchange rate set out in the amendments.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7 'Amendments to Classification and Measurement of Financial Instruments'

The amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

- Annual improvements to MFRS 7 'Financial Instruments: Disclosures' on gain or loss on derecognition

The amendment requires an entity to disclose the gain or loss on derecognition relating to financial assets in which the entity has continuing involvement. The entity shall disclose if a gain or loss on derecognition arose because the fair values of the components of the previously recognised asset (i.e. the interest in the asset derecognised and the interest retained by the entity) were different from the fair value of the previously recognised asset as a whole. In that situation, the entity shall also disclose whether the fair value measurements included significant unobservable inputs as described in paragraphs 72–73 of MFRS 13.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

- 2.3 The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board that are applicable to the Group but not yet effective (continued)

The Group will apply the new standards, amendments and interpretations in the following period:
(continued)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18 'Presentation and disclosure in financial statements'

MFRS 18 replaces MFRS 101 Presentation of Financial Statements, which would result in the following changes:

- (i) Presentation within the statements of profit or loss and other comprehensive income, including:
 - Presentation of two (2) new defined subtotals: operating profit and profit before financing and income taxes; and
 - Presentation of income and expenses in five (5) categories: operating, investing, financing, income taxes and discontinued operations.
- (ii) Disclosures on management-defined performance measures ("MPM") in the notes to financial statements, including:
 - Reconciliation of MPM to a total or subtotal required by MFRS 18 or another MFRS Accounting Standard; and
 - Disclosures on how MPM is calculated, what the MPM communicates about the financial performance of the Group, and any changes made to the MPMs during the financial year.
- (iii) Aggregation and disaggregation across the financial statements, including:
 - Classification of expenses in the 'operating' category in the profit or loss by nature or function, or both;
 - Disclosures of amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line item in the 'operating' category classified by function; and
 - Label and/or description of material items presented or disclosed as 'other' as faithfully representative and precise a way as possible
- (iv) MFRS 18 introduces 'MFRS Accounting Standards', which refers to accounting standards issued by the MASB that apply to reporting periods beginning on or after 1 January 2012. They comprise:
 - Malaysian Financial Reporting Standards; and
 - IC Interpretations.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

- 2.3 The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board that are applicable to the Group but not yet effective (continued)

The Group will apply the new standards, amendments and interpretations in the following period:
(continued)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027: (continued)

- **MFRS 19 'Subsidiaries without public accountability: disclosures'**

MFRS 19 is an optional, disclosure-only standard which permits eligible subsidiaries to provide reduced disclosures when applying MFRS in their financial statements. The eligible subsidiary that applies MFRS 19 is required to apply the requirements in the other MFRS for recognition, measurement and presentation requirements.

Subsidiaries are eligible to apply MFRS 19 if they do not have public accountability and their parent company applies IFRS in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed in a public market (or is in the process of issuing such instruments for trading in a public market) or does not hold assets in a fiduciary capacity for a broad group of outsiders.

The Group is in the process of assessing the impact of the new standards and amendments to the consolidated financial statements of the Group in the year of initial application.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.4 Basis of consolidation****(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The Group applies predecessor accounting to account for business combinations under common control. Under the predecessor accounting, assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to ensure uniform accounting policies of the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recognised as an adjustment to equity (in merger reserve). No additional goodwill is recognised. The Group incorporates the acquired entity's results and statements of financial position prospectively.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Related party transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

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An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the financial period in which the investment is acquired.

An associate is equity accounted for from the date on which the investee becomes an associate.

(iii) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

The Group's interest in a joint venture is accounted for in the financial statements by the equity method of accounting. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. Negative goodwill is included as income in the determination of the investor's share in joint arrangements' profit or loss in the period in which the investment is acquired.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.5 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

All the remaining 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 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 recognises 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.

Capital work-in-progress relates to assets under construction which are not depreciated as these assets are not available for use.

Freehold land has an unlimited useful life and therefore is not depreciated.

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

	<u>Years</u>
Buildings	10 to 50
Marine craft, plant and machinery	3 to 25
Office equipment, motor vehicles and furniture and fittings	2 to 12.5

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.6 Intangible assets****(a) Goodwill**

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

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 financial periods.

(b) Rights on Port Business

The Rights on Port Business represent the right of a subsidiary to provide port operation services and to charge users of the services. It encapsulated concession agreement, license and other agreements relating to the usage of the port related infrastructure as these assets contribute to earnings only in concert with other assets and/or economic factors of the business. The rights are amortised on the straight-line basis over the useful lives of the concession period of 30 years.

(c) Computer software

Computer software is recognised at cost and amortised on a straight-line basis over its useful live of 5 years.

(d) Capital work-in-progress

Capital work-in-progress relates to assets under construction which are not depreciated as these assets are not available for use.

2.7 Leases**The Group as lessee**

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties for which the Group is a lessee, it has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

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In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities (refer to (iv) below).

(ii) ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

The Group presents ROU assets that meet the definition of investment property in the statement of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statement of financial position.

(iii) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase and extension options if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

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Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This is the rate that the individual lessee would have to pay or to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases with a lease term of 12 months or less and leases of low-value assets. Payments associated with these leases are recognised on a straight-line basis as an expense in the profit or loss.

The Group as lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(i) Operating leases

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term.

(ii) Finance leases

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset.

Initial direct costs are also included in the initial measurement of the net investment. The net investments are subject to MFRS 9 impairment (refer to Note 2.10 on impairment of financial assets). In addition, the Group reviews regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group revises the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

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The Group has also entered into sub-lease arrangements.

When the Group is an intermediate lessor, it assesses the lease classification of a sublease with reference to the ROU assets 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 sublease as an operating lease.

2.8 Investment property

Investment property is initially recorded at cost, including transaction costs. Subsequent to recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis to its residual values over the following estimated useful lives:

	<u>Years</u>
Leasehold land	30 - 60
Buildings and warehouses	33 to 50
Cabin	6.67

The carrying values of investment property 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.

2.9 Impairment of non-financial assets

The Group assesses 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 makes 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 first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

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Impairment losses are recognised in the profit or loss except for assets that are previously revalued here 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 the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent financial period.

2.10 Financial assets**(a) Classification**

The Group classifies its financial assets as those to be measured at amortised cost and fair value through profit or loss ("FVTPL").

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits up to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the profit or loss.

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There are three measurement categories and the Group classifies its debt instruments into:

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest ("SPPI") are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the profit or loss and presented in other income or expenses together with foreign exchange gains or losses. Impairment losses are presented as a separate line item in the statement of comprehensive income as applicable.

(ii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income ("FVOCI") are measured at FVTPL. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes are recognised in the profit or loss and presented net within other gains or losses in the financial period which it arises.

(d) Subsequent measurement**Impairment of debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

The Group assesses on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group has only one financial instrument that is subject to the ECL model:

- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between the present value of cash flows according to contract and the present value of cash flows the Group expects to receive, over the remaining life of the financial instrument.

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A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain and loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in the profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into the profit or loss in the same period or periods during which the hedged forecast cash flows affect the profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into the profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from equity into the profit or loss.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is represented by the following:

(i) Consumables

Spare parts, consumables and container repair materials are determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business. The inventories are classified as non-current assets except where they are highly probable for sale or available for immediate sale in its present condition.

2.12 Cash and cash equivalents

For the purpose of the statements of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the statement of cash flows. In the statements of financial position, banks overdrafts are shown within borrowings in current liabilities.

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Government grants are recognised initially at their fair value in the statement of financial position as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants shall be recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants relating to assets are recognised separately as deferred income.

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 enacted or substantially enacted by the reporting date.

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

(b) Deferred tax

Deferred tax liabilities and/or assets are recognised, using the liability method, for all temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised. Investment tax allowances are treated as tax credit at inception.

The Group accounts for investment tax credits based on the tax credit model where investment tax credits are recognised in current tax in the year when the conditions required to receive the credits are met and they are claimed on the respective company's tax return. Investment tax credits that are unused are recognised as deferred tax assets to the extent that it is probable that future taxable profit will be available against which the unused investment tax credit can be utilised.

Deferred tax is not recognised if the temporary differences arise 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.

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.

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

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

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

2.15 Service concession agreements

Certain subsidiaries of the Group had entered into privatisation agreements with port authorities and the Government of Malaysia ("GOM"). The privatisation agreements provide the subsidiaries with the license to operate the ports and to lease the said port properties. Under the term of the agreements, the subsidiaries will operate the port for period as follows:

- Pelabuhan Tanjung Pelepas Sdn. Bhd. ("PTP"): the concession period is for a period of 30 years commencing from 24 March 1993 and be automatic extended for another 30 years, which expires on 23 March 2055;
- Johor Port Berhad ("JPB"): the concession period is for a period of 30 years commencing from 1 January 1993, and subsequently extended for another 30 years through the supplementary agreement. On 19 October 2022, the concession period has been extended to 23 March 2055, subject to fulfilment of the obligations in the supplemental agreement;
- Northport (Malaysia) Bhd. ("NMB"): the concession for North Port and South Port of Port Klang is for a period of 30 years, expiring on 30 November 2043. On 19 October 2022, the concession period for North Port of Port Klang has been extended to 23 March 2055, subject to fulfilment of the obligations in the supplemental agreement;
- Penang Port Sdn. Bhd. ("PPSB"): the concession period is for a period of 30 years commencing from 1 January 1994, and subsequently extended for another 18 years through the supplementary agreement. On 17 November 2022, the concession period has been extended to 23 March 2055, subject to fulfilment of the obligations in the supplemental agreement; and
- Tanjung Bruas Port Sdn. Bhd. ("TBP"): the concession period is for a period of 30 years expiring on 20 November 2046. On 19 October 2022, the concession period has been extended to 23 March 2055, subject to fulfilment of the obligations in the supplemental agreement.

The port operators have the right to charge the users of the port for services rendered, which the port operators will collect and retain; however, the fees are capped subject to the tariffs for port services as determined by the port authorities and GOM. At the end of the concession period, the relevant port infrastructures and facilities will return to the port authorities and the port operators will have no further involvement in its operation and maintenance requirements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.16 Concession assets and liabilities**

The Group recognises concession assets arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructures and facilities. Concession assets received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition. Subsequent to initial recognition, the concession assets are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of concession assets in a service concession arrangement is over the concession period extended to the Group.

The Group recognised port infrastructure and facilities as concession assets which includes land reclamation, wharves, jetties, terminal, paved areas and certain assets under constructions.

Cost includes expenditures that are directly attributable to the acquisition or construction of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

The Group also recognises concession assets (and related service concession obligation) arising from lease rental payable for the relevant port infrastructures and facilities under the privatisation agreements at fair value on the first day of service concession arrangement or where impracticable, on the earliest period presented, arising from the adoption of IC Interpretation 12 Service Concession Arrangements ("IC Interpretation 12"). The concession assets arising from the above are amortised over the relevant concession period. During the financial year ended 31 December 2022, the lease concession period for ports had been extended until 23 March 2055.

The fair value of a concession asset received as consideration for providing construction services in a service concession arrangement is estimated by reference to the fair value of the construction services provided. The fair value is calculated as the estimated total construction cost plus a profit margin, which the Group evaluates and determines to be nil.

The Rights on Port Business represent the right of a subsidiary to provide port operation services and to charge users of the services. It encapsulated concession agreement, license and other agreements relating to the usage of the port related infrastructure as these assets contribute to earnings only in concert with other assets and/or economic factors of the business. The rights are amortised on the straight-line basis over the useful lives of the concession period.

Concession liabilities are measured at the present value of the lease payments and subsequently measured at amortised cost using the effective interest method. Concession liabilities are classified as current liabilities unless the Group has an unconditional right to defer repayment of the liabilities for at least 12 months after the reporting date.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.17 Employee benefits****(a) Short-term benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group. 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 plans

The Group participates in the national pension scheme as defined by the laws of the country in which it has operations. The Group makes contributions to the Employees Provident Fund ("EPF") in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed.

(c) Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation is performed at regular interval by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income.

The Group determines the net interest expense or income on the net defined liability or asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period as a result of contributions and benefit payments.

Net interest expense and other expenses relating to defined benefit plans are recognised in the profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.18 Foreign currency****Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

2.19 Revenue recognition**(a) Revenue from contracts with customers**

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in a contract. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and services taxes, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.

The Group's revenue from contracts with customers are recognised over the period in which the services are rendered. There is no obligation for returns or refunds nor warranty in the provision of the ports and logistics related by the Group. The Group's revenue can be categorised as follows:

Container

Container revenue is generated primarily from terminal handling charges for import/export and transshipment containers, including income from value added services.

Conventional

Relates to conventional cargo services, which primarily includes dry bulk services, break bulk cargo services and liquid bulk cargo services.

Marine

Marine revenue is generated from a range of services provided within ports and throughout the water limits surrounding ports, including pilotage services, pilot boats, tug assistance, hydrography services, vessel coordination and traffic monitoring.

Logistics and freight forwarding

Relates to revenue from hauling containers, providing warehousing services and providing freight forwarding services.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****2.19 Revenue recognition (continued)****(a) Revenue from contracts with customers (continued)**Construction contracts

Revenue from construction contracts is recognised over the period in which the services are rendered.

For fixed-price contracts, revenue is recognised under the percentage of completion method, measured by reference to surveys of work performed. Cost plus contracts, where reimbursements are made on costs incurred for works carried out on an agreed contract rate, are recognised as revenue attributed to the proportion of work done progressively over the duration of the contracts.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increase or decrease in the estimated revenue or cost is reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

Contract asset arising from construction upgrade services are presented as "capital work-in-progress" under concession assets during the construction period.

(b) Revenue from other sourcesRental 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.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually being evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact on the Group's results and financial position are tested for sensitivity to changes in the underlying parameters.

The estimates and assumptions that have a higher degree of judgement or complexity risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year are as follows:

(a) Income tax

Income taxes are estimated based on the rules governed under the Income Tax Act, 1967.

Differences in determining the capital allowances, deductibility of certain expenses and subsequent utilisation of investment tax allowance may arise during the estimation of the provision for income taxes between tax calculated at the reporting date, and the final submission to the tax authorities as a result of obtaining further detailed information that may become available subsequent to the reporting date. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax provisions and deferred tax balance in the financial period in which such determination is made.

Investment Tax Allowance ("ITA")

The Group has been granted ITA on qualifying capital expenditure incurred for the expansion and upgrade of existing port facilities from YA2023 to YA2027, subject to meeting the ITA conditions, failing which, the Inland Revenue Board ("IRB") has the right to withdraw all ITA claims. As at 31 December 2024, the Group considers that it is probable that the ITA will be available on the basis that the Group expects to continuously fulfil the conditions to support the ITA claims in the provisional tax computation and the recognition of deferred tax assets for the unused ITA. Details of the ITA are disclosed in Note 9.

(b) Deferred tax assets

Deferred tax assets are recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the future taxable profit together with future tax planning strategies. Details of the deferred tax assets are disclosed in Note 31.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**

The estimates and assumptions that have a higher degree of judgement or complexity risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year are as follows: (continued)

(c) Sales and Service Tax ("SST")

The Service Tax (Imposition of Tax for Taxable Service in respect of Designated Areas and Special Areas) Order 2018 (by virtue of section 51 and 56 of the Service Tax Act 2018) has been amended to impose service tax on logistic services provided in Designated Area ("DA") and Special Area ("SA") effective from 1 March 2024.

Under the Service Tax Policy 4/2024 issued in March 2024, the Minister of Finance has granted SST exemption on logistic services provided within or between DA or SA. However, in August 2024, the Royal Malaysian Customs Department issued the Service Tax Policy 4/2024 (Amendment) to clarify that the conditions for the service tax exemption would only be applicable where the 'principal place of business' of both the service provider and the service recipient is located in DA or SA. This amendment is assumed to be effective from 1 March 2024.

In assessing the potential service tax exposure for the Group for the financial year ended 31 December 2024, the Group has applied judgement that the logistic services provided to customers would be eligible for service tax exemption under item 5 of the Service Tax (Persons Exempted from Payment of Tax) Order 2018 (i.e. business-to-business ("B2B") exemption) and the conditions of the B2B exemptions have been met by the recipients of the logistic services provided. The Group is of the view the total potential exposure for service tax considering the service provided under B2B exemption is not material for the financial year ended 31 December 2024.

4 REVENUE

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Revenue from contract with customers	3,983,972	3,883,860	4,286,525
Revenue from other source – rental income	74,106	77,180	69,982
	<u>4,058,078</u>	<u>3,961,040</u>	<u>4,356,507</u>
Timing of revenue recognition for revenue from contract with customers:			
- over time	<u>3,983,972</u>	<u>3,883,860</u>	<u>4,286,525</u>

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**4 REVENUE (CONTINUED)**

Disaggregation of Group's revenue: (continued)

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Inter segment eliminations RM'000	Total RM'000
<u>31.12.2022</u>									
<u>Port and terminal operations</u>									
Container	1,402,051	591,261	235,395	350,343	3,015	-	14,439	(36)	2,596,468
Conventional	-	144,758	194,352	55,635	7,876	-	-	-	402,621
Marine	226,232	37,385	169,994	27,265	6,179	-	-	-	467,055
Others	17,357	51,562	27,208	17,888	811	-	75,092	(33)	189,885
	<u>1,645,640</u>	<u>824,966</u>	<u>626,949</u>	<u>451,131</u>	<u>17,881</u>	<u>-</u>	<u>89,531</u>	<u>(69)</u>	<u>3,656,029</u>
Logistics and freight forwarding	-	-	-	-	-	140,700	-	-	140,700
Construction contracts	62,883	61,855	6,364	55,523	618	-	-	-	187,243
	<u>1,708,523</u>	<u>886,821</u>	<u>633,313</u>	<u>506,654</u>	<u>18,499</u>	<u>140,700</u>	<u>89,531</u>	<u>(69)</u>	<u>3,983,972</u>
Revenue from contracts with customers									
	<u>1,708,523</u>	<u>886,821</u>	<u>633,313</u>	<u>506,654</u>	<u>18,499</u>	<u>140,700</u>	<u>89,531</u>	<u>(69)</u>	<u>3,983,972</u>
Rental income, representing revenue from other sources	5,813	-	41,872	20,427	-	4,507	3,201	(1,714)	74,106
	<u>1,714,336</u>	<u>886,821</u>	<u>675,185</u>	<u>527,081</u>	<u>18,499</u>	<u>145,207</u>	<u>92,732</u>	<u>(1,783)</u>	<u>4,058,078</u>
External revenue									
Inter segment revenue	(1,750)	-	-	-	-	-	(33)	1,783	-
	<u>1,712,586</u>	<u>886,821</u>	<u>675,185</u>	<u>527,081</u>	<u>18,499</u>	<u>145,207</u>	<u>92,699</u>	<u>-</u>	<u>4,058,078</u>

Included within construction contracts is revenue recorded related to the construction and upgrade of the port infrastructure under concession.

Definition of the above companies are as disclosed in Note 35.

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**4 REVENUE (CONTINUED)**

Disaggregation of Group's revenue: (continued)

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Inter segment eliminations RM'000	Total RM'000
<u>31.12.2023</u>									
<u>Port and terminal operations</u>									
Container	1,357,602	533,502	243,013	382,300	887	-	22,524	(403)	2,539,425
Conventional	-	148,552	189,978	53,572	9,909	-	-	-	402,011
Marine	204,585	43,028	206,679	31,934	6,255	-	-	-	492,481
Others	17,085	41,083	30,562	26,379	1,011	-	79,007	(98)	195,029
	<u>1,579,272</u>	<u>766,165</u>	<u>670,232</u>	<u>494,185</u>	<u>18,062</u>	<u>-</u>	<u>101,531</u>	<u>(501)</u>	<u>3,628,946</u>
Logistics and freight forwarding	-	-	-	-	-	140,665	-	-	140,665
Construction contracts	20,834	25,629	17,303	50,187	296	-	-	-	114,249
	<u>1,600,106</u>	<u>791,794</u>	<u>687,535</u>	<u>544,372</u>	<u>18,358</u>	<u>140,665</u>	<u>101,531</u>	<u>(501)</u>	<u>3,883,860</u>
Revenue from contracts with customers									
	<u>1,600,106</u>	<u>791,794</u>	<u>687,535</u>	<u>544,372</u>	<u>18,358</u>	<u>140,665</u>	<u>101,531</u>	<u>(501)</u>	<u>3,883,860</u>
Rental income, representing revenue from other sources	3,582	-	40,582	26,447	-	4,162	3,152	(745)	77,180
	<u>1,603,688</u>	<u>791,794</u>	<u>728,117</u>	<u>570,819</u>	<u>18,358</u>	<u>144,827</u>	<u>104,683</u>	<u>(1,246)</u>	<u>3,961,040</u>
External revenue									
Inter segment revenue	(403)	-	-	-	-	(745)	(98)	1,246	-
	<u>1,603,285</u>	<u>791,794</u>	<u>728,117</u>	<u>570,819</u>	<u>18,358</u>	<u>144,082</u>	<u>104,585</u>	<u>-</u>	<u>3,961,040</u>

Included within construction contracts is revenue recorded related to the construction and upgrade of the port infrastructure under concession.

Definition of the above companies are as disclosed in Note 35.

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**4 REVENUE (CONTINUED)**

Disaggregation of Group's revenue: (continued)

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Inter segment eliminations RM'000	Total RM'000
<u>31.12.2024</u>									
<u>Port and terminal operations</u>									
Container	1,589,985	623,088	261,609	377,971	2,832	-	17,825	(304)	2,873,006
Conventional	-	168,428	207,149	53,749	9,227	-	-	-	438,553
Marine	212,170	45,845	214,160	33,343	5,876	-	-	-	511,394
Others	21,116	45,520	26,907	24,864	1,113	-	90,259	(100)	209,679
	<u>1,823,271</u>	<u>882,881</u>	<u>709,825</u>	<u>489,927</u>	<u>19,048</u>	<u>-</u>	<u>108,084</u>	<u>(404)</u>	<u>4,032,632</u>
Logistics and freight forwarding	-	-	-	-	-	26,665	-	-	26,665
Construction contracts	46,135	84,248	92,201	4,644	-	-	-	-	227,228
	<u>1,869,406</u>	<u>967,129</u>	<u>802,026</u>	<u>494,571</u>	<u>19,048</u>	<u>26,665</u>	<u>108,084</u>	<u>(404)</u>	<u>4,286,525</u>
Revenue from contracts with customers									
	<u>1,869,406</u>	<u>967,129</u>	<u>802,026</u>	<u>494,571</u>	<u>19,048</u>	<u>26,665</u>	<u>108,084</u>	<u>(404)</u>	<u>4,286,525</u>
Rental income, representing revenue from other sources	3,600	-	41,651	23,153	-	714	2,637	(1,773)	69,982
	<u>1,873,006</u>	<u>967,129</u>	<u>843,677</u>	<u>517,724</u>	<u>19,048</u>	<u>27,379</u>	<u>110,721</u>	<u>(2,177)</u>	<u>4,356,507</u>
External revenue									
Inter segment revenue	(2,077)	-	-	-	-	-	(100)	2,177	-
	<u>1,870,929</u>	<u>967,129</u>	<u>843,677</u>	<u>517,724</u>	<u>19,048</u>	<u>27,379</u>	<u>110,621</u>	<u>-</u>	<u>4,356,507</u>

Included within construction contracts is revenue recorded related to the construction and upgrade of the port infrastructure under concession.

Definition of the above companies are as disclosed in Note 35.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**5 OTHER OPERATING INCOME**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Rental income	2,530	255	16
Amortisation of deferred income	3,257	3,257	3,259
Gain on disposal of:			
- property, plant and equipment	9,753	11,230	2,362
- assets held for sale	-	459	-
- investment properties	-	148,657	-
Gain on derecognition of right-of-use assets	51,760	-	-
Compensation on loss of income	6,000	-	-
Deposit forfeited	-	-	10,252
Liquidated ascertained damages	4,419	5,613	4,043
Realised gain on foreign exchange	169	4,644	1,261
Commission on demurrage	3,576	4,126	1,535
Penalty income	290	1,058	1,003
Others	7,106	24,630	24,853
	<u>88,860</u>	<u>203,929</u>	<u>48,584</u>

6 EMPLOYEES' BENEFITS EXPENSE

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Wages, salaries and bonus	711,138	747,021	814,746
Contribution to defined contribution plans	77,478	78,702	80,893
Defined benefit retirement plan	5,817	6,664	5,916
Other employee benefits	96,009	125,717	131,716
	<u>890,442</u>	<u>958,104</u>	<u>1,033,271</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**7 PROFIT BEFORE ZAKAT AND TAXATION**

Profit before zakat and taxation is arrived at:

	<u>Note</u>	<u>31.12.2022</u> RM'000 Audited	<u>31.12.2023</u> RM'000 Audited	<u>31.12.2024</u> RM'000 Audited
After charging/(crediting):				
Auditors' remuneration (PricewaterhouseCoopers PLT):				
- statutory audit		974	1,068	940
- other audit services		169	112	955 ¹
Total statutory and other audit services		1,143	1,180	1,895
- non-audit services		-	164	566 ²
Total auditors' remuneration		1,143	1,344	2,461
Directors' remuneration		249	235	233
Depreciation of:				
- property, plant and equipment	12	416,138	393,755	391,995
- right-of-use assets	14	79,741	81,310	97,439
- investment properties	15	10,020	12,192	12,206
Amortisation of:				
- concession assets	13	209,091	199,985	211,193
- intangible assets	18	5,414	5,414	2,023
Impairment of:				
- trade receivables	20(a)	2,146	12,013	6,872
- other receivables	20(f)	751	711	568
Write-off of:				
- property, plant and equipment	12	84,785	5,812	428
- concession assets	13	-	2,897	4,147
- investment properties	15	50	-	-
Write down of assets held for sale	23	-	2,245	-
(Gain)/Loss on disposal of:				
- property, plant and equipment	5	(9,753)	(11,230)	(2,362)
- assets held for sale	5	610	(459)	49
- investment properties	5	-	(148,657)	-
Loss/(Gain) on derecognition of:				
- concession assets		935	-	-
- right-of-use assets	5	(51,760)	-	-
Reversal of impairment loss on:				
- trade receivables	20(a)	(1,601)	(1,930)	(3,047)
- other receivables	20(f)	-	-	(5,198)
(Reversal of allowance)/allowance for slow moving stocks	19	(19,050)	4,478	(7,286)
Service contract expense on land and buildings		8,637	16,245	12,502
Service contract expense on plant and machinery		140,557	146,864	122,366

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**7 PROFIT BEFORE ZAKAT AND TAXATION (CONTINUED)**

Profit before zakat and taxation is arrived at: (continued)

		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
		RM'000	RM'000	RM'000
		Audited	Audited	Audited
Provision for defined benefit obligation	29	7,402	6,664	5,916
Construction contract cost recognised as expense*		187,243	114,249	227,228
Unrealised foreign exchange loss		50	-	-
		<u> </u>	<u> </u>	<u> </u>

¹ Fees incurred primarily in relation to reporting accountant services, audits other than statutory audit and agreed-upon procedures.

² Fees incurred in relation to tax compliance and advisory services for the Group's corporate exercise.

* Included within construction contract cost recognised as expense is cost relating to services rendered in the construction and upgrade of the port infrastructure under concession. The Group considers the fair value of the consideration for the services rendered in the construction and upgrade of the port infrastructure to approximate the cost incurred as the construction works are mainly subcontracted to third parties.

8 FINANCE COSTS

		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
		RM'000	RM'000	RM'000
		Audited	Audited	Audited
Interest on borrowings		235,766	231,525	220,954
Interest on lease liabilities		13,933	11,230	17,421
Interest on concession liabilities		117,410	145,516	147,982
Interest on intercompany balances		2,155	-	-
Accretion of interests		11,320	3,968	4,006
		<u> </u>	<u> </u>	<u> </u>
		<u>380,584</u>	<u>392,239</u>	<u>390,363</u>

9 TAXATION

		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
		RM'000	RM'000	RM'000
		Audited	Audited	Audited
Income tax:				
- current financial year		128,287	122,442	96,215
- over accrual in prior financial years		(8,660)	(22,161)	(663)
		<u> </u>	<u> </u>	<u> </u>
		<u>119,627</u>	<u>100,281</u>	<u>95,552</u>
Deferred tax (Note 31):				
- origination and reversal of temporary differences		134,918	38,366	129,575
		<u> </u>	<u> </u>	<u> </u>
		<u>254,545</u>	<u>138,647</u>	<u>225,127</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**9 TAXATION (CONTINUED)**

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate is as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Profit before zakat and taxation	<u>829,540</u>	<u>945,954</u>	<u>990,673</u>
Tax calculated at the applicable Malaysian tax rate of 24%	199,090	227,029	237,762
Tax effects of:			
- impact of differential tax rates	19,475	-	-
- expenses not deductible for tax purposes	54,638	16,610	26,594
- income not subject to tax	(1,740)	(6,939)	(14,379)
- reversal of previously recognised deferred tax assets	6,315	-	-
- recognition of previously unrecognised deferred tax assets	-	(13,325)	-
- share of results of joint ventures and associate (net)	(8,855)	(2,055)	(1,376)
- incentive arising from Tax Allowance recognised during the year [^]	(5,718)	(60,512)	(22,811)
- over accrual in prior financial years	(8,660)	(22,161)	(663)
Taxation	<u>254,545</u>	<u>138,647</u>	<u>225,127</u>

[^]During the financial year ended 31 December 2023, the Ministry of Finance Malaysia ("MOF") granted a subsidiary of the Group with Investment Tax Allowance ("ITA"), on qualifying capital expenditure incurred for the expansion and upgrade of existing port facilities from YA2023 to YA2027, subject to meeting the ITA conditions, failing which, the Inland Revenue Board ("IRB") has the right to withdraw all ITA claims.

During the financial year ended 31 December 2024, the MOF issued a clarification to specify a minimum annual qualifying capital expenditure as part of the previous requirements for cumulative capital expenditure by the end of YA2027. Further to discussions with the MOF, these conditions were subsequently revised to allow for cumulative qualifying capital expenditure incurred on an annual basis, following the approval obtained before the period end.

The Directors have exercised judgement that it is probable the ITA will be available on the basis that the Group expects to continuously fulfil the conditions to support the ITA claims in the provisional tax computation and the recognition of deferred tax assets for the unused ITA.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**10 EARNINGS PER SHARE****(a) Basic**

Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Profit attributable to ordinary equity holders of the Company	<u>471,816</u>	<u>701,127</u>	<u>636,560</u>
Weighted average number of ordinary shares in issue ('000)	3,546,417	3,546,417	3,547,234
Basic earnings per share (sen)	<u>13.3</u>	<u>19.8</u>	<u>17.9</u>

(b) Diluted

Diluted earnings per ordinary shares is calculated by dividing the profit attributable to equity holders of the Company by the weighted number of shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Profit attributable to ordinary equity holders of the Company	<u>471,816</u>	<u>701,127</u>	<u>636,560</u>
Weighted average number of ordinary shares in issue ('000)	3,546,417	3,546,417	3,547,234
Effects of dilution:			
- Redeemable convertible preference shares ('000)	<u>1,067,985</u>	<u>-</u>	<u>-</u>
Adjusted weighted average number of shares applicable to diluted earnings per share ('000)	<u>4,614,402</u>	<u>3,546,417</u>	<u>3,547,234</u>
Diluted earnings per share (sen)	<u>10.2</u>	<u>19.8</u>	<u>17.9</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**11 DIVIDENDS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Dividends recognised</u>			
<u>In respect of financial year ended 31 December 2022:</u>			
Dividend of 7.0494 sen per share on 3,546,417,409 ordinary shares, paid on 31 December 2022	250,001	-	-
<u>In respect of financial year ended 31 December 2023:</u>			
Dividend of 1.6918 sen per share on 3,546,417,409 ordinary shares, paid on 30 June 2023	-	60,000	-
Dividend of 12.4169 sen per share on 3,546,417,409 ordinary shares, paid on 31 December 2023	-	440,355	-
<u>In respect of financial year ended 31 December 2024</u>			
Dividend of 0.8177 sen per share on 3,546,417,409 ordinary shares, paid on 30 June 2024	-	-	29,000
Dividend of 10.0383 sen per share on 3,546,417,409 ordinary shares, paid on 17 October 2024, 18 October 2024, 30 October 2024, 15 November 2024, 4 December 2024 and 16 December 2024	-	-	356,000
Dividend of 3.5113 sen per share on 3,560,000,000 ordinary shares, paid on 24 December 2024	-	-	125,002
	<u>250,001</u>	<u>500,355</u>	<u>510,002</u>

On 21 March 2025, the Board of Directors approved and declared a dividend of 0.84270 sen per ordinary share on the 3,560,000,000 ordinary shares, amounting to RM30,000,120 in respect of the financial year ending 31 December 2025. The dividend was paid on 24 March 2025. The dividend will be accounted for in shareholders' equity as appropriation of retained earnings in the financial year ending 31 December 2025.

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**12 PROPERTY, PLANT AND EQUIPMENT**

	<u>Note</u>	<u>Freehold land</u> RM'000	<u>Buildings</u> RM'000	<u>Plant, machinery and equipment</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 January 2022		94,913	310,699	3,763,191	127,879	4,296,682
Additions		-	3,971	204,516	290,349	498,836
Disposals		-	(6,896)	(172,560)	-	(179,456)
Disposal of a subsidiary	41(c)	-	-	(347)	-	(347)
Reclassification		-	10,737	260,040	(270,777)	-
Write-off		-	(2,081)	(301,751)	(25)	(303,857)
At 31 December 2022		<u>94,913</u>	<u>316,430</u>	<u>3,753,089</u>	<u>147,426</u>	<u>4,311,858</u>
<u>Accumulated depreciation</u>						
At 1 January 2022		-	(89,088)	(757,067)	-	(846,155)
Depreciation		-	(36,076)	(380,062)	-	(416,138)
Disposals		-	5,520	171,350	-	176,870
Disposal of a subsidiary	41(c)	-	-	331	-	331
Write-off		-	1,853	217,219	-	219,072
At 31 December 2022		<u>-</u>	<u>(117,791)</u>	<u>(748,229)</u>	<u>-</u>	<u>(866,020)</u>
<u>Accumulated impairment losses</u>						
At 1 January / 31 December 2022		<u>-</u>	<u>-</u>	<u>(4,411)</u>	<u>-</u>	<u>(4,411)</u>
<u>Net book value</u>						
At 31 December 2022		<u>94,913</u>	<u>198,639</u>	<u>3,000,449</u>	<u>147,426</u>	<u>3,441,427</u>

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>						
At 1 January 2023		94,913	316,430	3,753,089	147,426	4,311,858
Additions		-	52,278	102,626	458,151	613,055
Disposals		-	(331)	(159,183)	-	(159,514)
Reclassification		-	13,192	424,424	(437,616)	-
Reclassification to concession assets	13	-	(5,326)	(5,704)	(678)	(11,708)
Reclassification to right-of-use assets	14	-	-	(62)	-	(62)
Reclassification to investment properties	15	-	-	-	(2,498)	(2,498)
Write-off		-	(116)	(29,099)	-	(29,215)
At 31 December 2023		94,913	376,127	4,086,091	164,785	4,721,916
<u>Accumulated depreciation</u>						
At 1 January 2023		-	(117,791)	(748,229)	-	(866,020)
Depreciation		-	(21,210)	(372,545)	-	(393,755)
Reclassification to concession assets	13	-	2,634	5,578	-	8,212
Reclassification to right-of-use assets	14	-	-	53	-	53
Disposals		-	189	156,069	-	156,258
Write-off		-	-	23,403	-	23,403
At 31 December 2023		-	(136,178)	(935,671)	-	(1,071,849)
<u>Accumulated impairment losses</u>						
At 1 January / 31 December 2023		-	-	(4,411)	-	(4,411)
<u>Net book value</u>						
At 31 December 2023		94,913	239,949	3,146,009	164,785	3,645,656

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	Note	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>						
At 1 January 2024		94,913	376,127	4,086,091	164,785	4,721,916
Additions		-	7,869	67,395	518,558	593,822
Disposals		-	(109)	(58,752)	-	(58,861)
Disposal of a subsidiary	41(c)	(94,913)	(17,660)	(120,146)	(13,355)	(246,074)
Reclassification		-	16,594	383,360	(399,954)	-
Write-off		-	(67)	(103,049)	(24)	(103,140)
At 31 December 2024		-	382,754	4,254,899	270,010	4,907,663
<u>Accumulated depreciation</u>						
At 1 January 2024		-	(136,178)	(935,671)	-	(1,071,849)
Depreciation		-	(20,174)	(371,821)	-	(391,995)
Disposals		-	50	56,676	-	56,726
Disposal of a subsidiary	41(c)	-	8,907	96,662	-	105,569
Write-off		-	-	102,712	-	102,712
At 31 December 2024		-	(147,395)	(1,051,442)	-	(1,198,837)
<u>Accumulated impairment losses</u>						
At 1 January		-	-	(4,411)	-	(4,411)
Disposal of a subsidiary	41(c)	-	-	419	-	419
At 31 December 2024		-	-	(3,992)	-	(3,992)
<u>Net book value</u>						
At 31 December 2024		-	235,359	3,199,465	270,010	3,704,834

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	<u>31.12.2022</u> Audited	<u>31.12.2023</u> Audited	<u>31.12.2024</u> Audited
(a) Net book value of assets pledged as security for borrowings: (RM'000)			
- Property, plant and equipment	2,011,397	2,030,669	2,207,617
- Concession assets	<u>1,889,004</u>	<u>1,848,073</u>	<u>1,826,170</u>
(b) Interest capitalised in the following assets: (RM'000)			
- Property, plant and equipment	5,935	5,052	9,956
- Concession assets	1,164	1,109	3,229
Interest rate per annum	<u>3.2% - 4.9%</u>	<u>3.2% - 5.1%</u>	<u>3.2% - 5.1%</u>
(c) Non-cash additions: (RM'000)			
- Property, plant and equipment	152,759	64,514	127,692
- Concession assets	<u>75,306</u>	<u>763</u>	<u>7,459</u>
(d) For the financial year ended 31 December 2022, arising from annual review of the plant, machinery and equipment, a write-off amounting to RM84,785,000 was primarily incurred due to certain cranes being identified as underperforming compared to the expected levels, requiring their replacement.			

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13 CONCESSION ASSETS

	Land lease rental RM'000	Port infrastructures RM'000	Constructed ferry infrastructure and facilities RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>					
At 1 January 2022	1,329,142	4,599,726	1,233	6,169	5,936,270
Additions	75,306	36,806	-	154,503	266,615
Remeasurement#	471,196	-	-	-	471,196
Reclassification	-	51,317	9,888	(61,205)	-
Derecognition*	(1,604)	-	-	-	(1,604)
Government grant^	-	-	-	(15,000)	(15,000)
At 31 December 2022	1,874,040	4,687,849	11,121	84,467	6,657,477
<u>Accumulated amortisation</u>					
At 1 January 2022	(84,795)	(368,150)	(29)	-	(452,974)
Amortisation	(60,612)	(148,338)	(141)	-	(209,091)
Derecognition*	669	-	-	-	669
At 31 December 2022	(144,738)	(516,488)	(170)	-	(661,396)
<u>Net book value</u>					
At 31 December 2022	1,729,302	4,171,361	10,951	84,467	5,996,081

^ Government grant received in the form of facilitation fund.

Remeasurement on certain land lease resulting from extension of port concessions until 23 March 2055.

* Derecognition as a result of entering into finance sublease and sale of leasehold land.

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**13 CONCESSION ASSETS (CONTINUED)**

	Land lease rental RM'000	Port infrastructures RM'000	Constructed ferry infrastructure and facilities RM'000	Capital work-in- progress RM'000	Total RM'000
<u>Cost</u>					
At 1 January 2023	1,874,040	4,687,849	11,121	84,467	6,657,477
Additions	-	5,196	-	109,914	115,110
Remeasurement@	20,725	-	-	-	20,725
Reclassification from property, plant and equipment (Note 12)	-	2,818	-	678	3,496
Reclassification from investment properties (Note 15)	1,168	-	-	-	1,168
Reclassification	-	96,191	57,234	(153,425)	-
Write off	(4,543)	(625)	-	-	(5,168)
At 31 December 2023	1,891,390	4,791,429	68,355	41,634	6,792,808
<u>Accumulated amortisation</u>					
At 1 January 2023	(144,738)	(516,488)	(170)	-	(661,396)
Amortisation	(53,676)	(144,797)	(1,512)	-	(199,985)
Write off	2,177	94	-	-	2,271
At 31 December 2023	(196,237)	(661,191)	(1,682)	-	(859,110)
<u>Net book value</u>					
At 31 December 2023	1,695,153	4,130,238	66,673	41,634	5,933,698

@ Remeasurement of land lease resulting from the revision of the lease payment term from lump sum payment to annual payment for 20 years.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**13 CONCESSION ASSETS (CONTINUED)**

	<u>Rights on Port Business</u> RM'000	<u>Land lease rental</u> RM'000	<u>Port infrastructures</u> RM'000	<u>Constructed ferry infrastructure and facilities</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>						
At 1 January 2024	-	1,891,390	4,791,429	68,355	41,634	6,792,808
Additions	-	5,845	12,700	739	216,779	236,063
Reclassification	-	-	102,769	227	(102,996)	-
Reclassification from intangible assets (Note 18)	162,415	-	-	-	-	162,415
Write off	-	-	(7,060)	-	-	(7,060)
At 31 December 2024	162,415	1,897,235	4,899,838	69,321	155,417	7,184,226
<u>Accumulated amortisation</u>						
At 1 January 2024	-	(196,237)	(661,191)	(1,682)	-	(859,110)
Reclassification from intangible assets (Note 18)	(45,923)	-	-	-	-	(45,923)
Amortisation	(5,413)	(55,523)	(147,164)	(3,093)	-	(211,193)
Write off	-	-	2,913	-	-	2,913
At 31 December 2024	(51,336)	(251,760)	(805,442)	(4,775)	-	(1,113,313)
<u>Net book value</u>						
At 31 December 2024	111,079	1,645,475	4,094,396	64,546	155,417	6,070,913

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES****(a) Right-of-use assets**

	Land and building RM'000	Port facilities and infrastructure RM'000	Machinery and equipment RM'000	Motor vehicles RM'000	Ferry operation RM'000	Total RM'000
At 1 January 2022	385,766	80,926	140,776	1,548	1,896	610,912
Additions	78	446	31,179	397	-	32,100
Derecognition*	-	(6)	-	-	-	(6)
Depreciation	(12,301)	(9,620)	(55,341)	(583)	(1,896)	(79,741)
At 31 December 2022	373,543	71,746	116,614	1,362	-	563,265
At 1 January 2023	373,543	71,746	116,614	1,362	-	563,265
Additions	3,979	371	6,769	-	-	11,119
Reclassification from property, plant and equipment (Note 12)	-	9	-	-	-	9
Remeasurement	-	-	-	(134)	-	(134)
Depreciation	(12,437)	(9,350)	(58,826)	(697)	-	(81,310)
At 31 December 2023	365,085	62,776	64,557	531	-	492,949
At 1 January 2024	365,085	62,776	64,557	531	-	492,949
Additions	15,168	4,844	254,189	263	-	274,464
Disposal	(217)	-	-	-	-	(217)
Disposal of a subsidiary (Note 41(c))	(277,760)	-	(3,151)	-	-	(280,911)
Remeasurement^	67,283	-	2,536	2	-	69,821
Depreciation	(7,325)	(8,393)	(81,167)	(554)	-	(97,439)
At 31 December 2024	162,234	59,227	236,964	242	-	458,667

* Derecognition of the right-of-use assets are mainly as a result of entering into finance sublease and sale of leasehold land and building.

^ Mainly relates to remeasurement of certain lease liabilities resulting from a lease modification that increased the scope of the lease from 2031 to 2055.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)****(a) Right-of-use assets (continued)**

The Group leases various land and buildings, machinery and equipment and motor vehicle. Rental contracts for land and building ranges from 2 years to 99 years, whilst rental for other assets ranges from 2 years to 5 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any covenants. There are no variable payment terms on the above leases. Extension and termination options are included in a number of leases across the Group. The individual terms and conditions used vary across the Group. In cases in which the Group is not reasonably certain to exercise an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(b) Lease liabilities

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	272,688	241,690	173,792
Additions	31,669	6,368	269,479
Interest charged	13,933	11,230	17,421
Payments	(76,600)	(85,496)	(104,711)
Disposal of a subsidiary (Note 41(c))	-	-	(3,323)
Remeasurement [^]	-	-	69,821
At 31 December	<u>241,690</u>	<u>173,792</u>	<u>422,479</u>
Analysed as follows:			
Non-current	162,583	119,460	345,129
Current	79,107	54,332	77,350
At 31 December	<u>241,690</u>	<u>173,792</u>	<u>422,479</u>

[^] Mainly relates to remeasurement of certain lease liabilities resulting from a lease modification that increased the scope of the lease from 2031 to 2055.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**15 INVESTMENT PROPERTIES**

	Leasehold land RM'000	Freehold land RM'000	Building and port structures RM'000	Total RM'000
<u>Cost</u>				
At 1 January 2022	64,954	254,949	339,583	659,486
Additions	-	-	94,265	94,265
Disposal [^]	-	-	(8,580)	(8,580)
Disposal of a subsidiary (Note 41(c))	-	(254,949)	-	(254,949)
Write-off	-	-	(50)	(50)
At 31 December 2022	64,954	-	425,218	490,172
<u>Accumulated depreciation</u>				
At 1 January 2022	(7,304)	-	(44,602)	(51,906)
Depreciation	(1,588)	-	(8,432)	(10,020)
Disposal [^]	-	-	2,895	2,895
At 31 December 2022	(8,892)	-	(50,139)	(59,031)
<u>Net book value</u>				
At 31 December 2022	56,062	-	375,079	431,141
Fair value	73,132	-	537,624	610,756

[^] Disposal of investment properties are mainly as a result of entering into finance sublease and sale of leasehold land and building.

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**15 INVESTMENT PROPERTIES (CONTINUED)**

	<u>Leasehold land</u> RM'000	<u>Building and port structures</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>				
At 1 January 2023	64,954	425,218	-	490,172
Additions	-	17,515	11,016	28,531
Reclassification from property, plant and equipment (Note 12)	-	-	2,498	2,498
Reclassification to concession assets (Note 13)	-	(1,168)	-	(1,168)
Reclassification	-	13,514	(13,514)	-
Disposal [^]	(29,218)	(106,207)	-	(135,425)
Write-off	-	(671)	-	(671)
At 31 December 2023	<u>35,736</u>	<u>348,201</u>	<u>-</u>	<u>383,937</u>
<u>Accumulated depreciation</u>				
At 1 January 2023	(8,892)	(50,139)	-	(59,031)
Depreciation	(1,174)	(11,018)	-	(12,192)
Disposal [^]	-	258	-	258
Write-off	-	671	-	671
At 31 December 2023	<u>(10,066)</u>	<u>(60,228)</u>	<u>-</u>	<u>(70,294)</u>
<u>Net book value</u>				
At 31 December 2023	<u>25,670</u>	<u>287,973</u>	<u>-</u>	<u>313,643</u>
Fair value	<u>157,243</u>	<u>775,369</u>	<u>-</u>	<u>932,612</u>

[^] Disposal of investment properties are mainly as a result of entering into finance sublease and sale of leasehold land and building.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**15 INVESTMENT PROPERTIES (CONTINUED)**

	<u>Leasehold land</u> RM'000	<u>Building and port structures</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
<u>Cost</u>				
At 1 January 2024	35,736	348,201	-	383,937
Additions*	509	103,260	-	103,769
Reclassification to assets classified as held for sale (Note 23)	-	(37,198)	-	(37,198)
Disposal of a subsidiary (Note 41(c))	(2,089)	-	-	(2,089)
Write-off	-	(35)	-	(35)
At 31 December 2024	34,156	414,228	-	448,384
<u>Accumulated depreciation</u>				
At 1 January 2024	(10,066)	(60,228)	-	(70,294)
Depreciation	(1,005)	(11,201)	-	(12,206)
Reclassification to assets classified as held for sale (Note 23)	-	14,336	-	14,336
Disposal of a subsidiary (Note 41(c))	362	-	-	362
Write-off	-	35	-	35
At 31 December 2024	(10,709)	(57,058)	-	(67,767)
<u>Net book value</u>				
At 31 December 2024	23,447	357,170	-	380,617
Fair value	156,543	928,289	-	1,084,832

* Includes re-acquisition of investment properties in relation to a termination of a sublease agreement with a related company during the financial year ended 31 December 2024, amounting to RM102,511,000, which is non-cash in nature.

Fair value of the investment property was determined by using market comparable method. This means that valuation performed by accredited independent valuers with recent experience in the location and category of property being valued is based on observed transactions involving identical or similar property, which is a Level 3 fair value measurement hierarchy.

	<u>Financial year ended</u>		
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Rental income derived from lease of:			
- Concession assets	20,427	26,447	24,144
- Property, plant and equipment	1,192	1,217	1,245
- Right-of-use assets	4,507	4,162	714
- Investment properties	47,980	45,354	44,870

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**16 INVESTMENT IN AN ASSOCIATE**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Unquoted shares outside Malaysia, at cost	5,019	5,019	-
Share of post-acquisition reserves	7,489	8,475	-
	<u>12,508</u>	<u>13,494</u>	<u>-</u>

Detail of the associate is as follows:

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective ownership interest</u>			<u>Principal activity</u>
		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	
		%	%	%	
P.T. Ritra Konnas Freight Centre	Indonesia	33.3	33.3	-	Management of container depot operations

On 29 February 2024, the Group disposed 100% equity interest in Kontena Nasional Berhad, who holds 33.3% interest in P.T. Ritra Konnas Freight Centre ("PT Ritra"). Consequently, PT Ritra ceased to be an associate of the Group.

The following table summarises the financial information of the Group's associate, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Summarised financial information</u>			
<u>At 31 December</u>			
Current assets	19,871	31,285	-
Non-current assets	8,881	9,419	-
Total assets	<u>28,752</u>	<u>40,704</u>	<u>-</u>
Current liabilities	376	8,206	-
Non-current liabilities	914	1,001	-
Total liabilities	<u>1,290</u>	<u>9,207</u>	<u>-</u>
<u>Year ended 31 December</u>			
Revenue	11,176	12,669	2,429
Profit for the financial year	<u>3,337</u>	<u>2,961</u>	<u>846</u>
Share of profit of associate	<u>1,111</u>	<u>986</u>	<u>282</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**16 INVESTMENT IN AN ASSOCIATE (CONTINUED)**

The following table summarises the financial information of the Group's associate, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate: (continued)

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Reconciliation of net assets to carrying amount:</u>			
Group's share of net assets	9,145	10,489	-
# Adjustments	3,363	3,005	-
Investment in associates	<u>12,508</u>	<u>13,494</u>	<u>-</u>

Note:

#Adjustments primarily relate to foreign exchange difference.

17 INVESTMENTS IN JOINT VENTURES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At cost:			
Unquoted shares, inside Malaysia	115,500	115,500	115,000
Share of post-acquisition reserves	38,730	46,306	51,682
	<u>154,230</u>	<u>161,806</u>	<u>166,682</u>

The Group's joint ventures have a financial year ending 31 December which is consistent with the Group.

The Group have applied the equity method of accounting for the joint ventures within the Group.

Details of the joint ventures are as follows:

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective ownership interest</u>			<u>Principal activity</u>
		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	
		%	%	%	
[^] Cranetech Global Sdn. Bhd. ("Cranetech")	Malaysia	50.0	50.0	-	Dormant. Liquidated on 7 August 2024
[*] Port Klang Cruise Terminal Sdn. Bhd. ("PKCT")	Malaysia	50.0	50.0	50.0	Management of a cruise centre

^{*} Audited by firms other than PricewaterhouseCoopers PLT.

[^] On 29 September 2022, a member's resolution in writing pursuant to Section 297 of the Companies Act, 2016 has been passed for the voluntary liquidation of Cranetech Global Sdn. Bhd. The liquidation process was completed on 7 August 2024 and the Group received the liquidation proceeds amounting to RM423,000.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**17 INVESTMENTS IN JOINT VENTURES (CONTINUED)**

The following table summarises the financial information of the Group's joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures:

<u>31.12.2022</u>	<u>PKCT</u> RM'000	<u>Cranetech</u> RM'000	<u>Total</u> RM'000
<u>Reconciliation of net assets to carrying amount:</u>			
Effective percentage of ownership interest	50%	50%	
<u>As at 31 December 2022</u>			
Group's share of net assets/carrying amount in the statements of financial position	153,653	577	154,230
<u>Group's share of results for the financial year ended 31 December 2022</u>			
Group's share of profit for the financial year	35,785*	-	35,785
<u>Summarised financial information</u>			
<u>At 31 December 2022</u>			
Non-current assets	306,180	-	
Current assets	22,930	871	
Non-current liabilities	(21,048)	-	
Current liabilities	(756)	-	
Net assets	307,306	871	
<u>Financial year ended 31 December 2022</u>			
Profit for the financial year	14,027	-	

* Included in the share of profit of Port Klang Cruise Terminal Sdn. Bhd. is negative goodwill amounting to RM29.9 million.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**17 INVESTMENTS IN JOINT VENTURES (CONTINUED)**

The following table summarises the financial information of the Group's joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures: (continued)

<u>31.12.2023</u>	<u>PKCT</u> <u>RM'000</u>	<u>Cranetech</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
<u>Reconciliation of net assets to carrying amount:</u>			
Effective percentage of ownership interest	50%	50%	
<u>As at 31 December 2023</u>			
Group's share of net assets/carrying amount in the statements of financial position	161,229	577	161,806
<u>Group's share of results for the financial year ended 31 December 2023</u>			
Group's share of profit for the financial year	7,576	-	7,576
<u>Summarised financial information</u>			
<u>As at 31 December 2023</u>			
Non-current assets	285,977	-	
Current assets	48,992	871	
Non-current liabilities	(11,002)	-	
Current liabilities	(1,509)	(27)	
Net assets	322,458	844	
<u>Financial year ended 31 December 2023</u>			
Profit for the financial year	15,152	-	

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**17 INVESTMENTS IN JOINT VENTURES (CONTINUED)**

The following table summarises the financial information of the Group's joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures: (continued)

<u>31.12.2024</u>	<u>PKCT</u> <u>RM'000</u>
<u>Reconciliation of net assets to carrying amount:</u>	
Effective percentage of ownership interest	50%
<u>As at 31 December 2024</u>	
Group's share of net assets/carrying amount in the statements of financial position	166,682
<u>Group's share of results for the financial year ended 31 December 2024</u>	
Group's share of profit for the financial year	5,453
<u>Summarised financial information</u>	
<u>As at 31 December 2024</u>	
Non-current assets	282,536
Current assets	66,283
Non-current liabilities	(2,860)
Current liabilities	(12,595)
Net assets	333,364
<u>Financial year ended 31 December 2024</u>	
Profit for the financial year	10,906

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**18 INTANGIBLE ASSETS**

	<u>Goodwill on consolidation</u> RM'000	<u>Rights on Port Business</u> RM'000	<u>Computer software</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
Cost					
At 1 January 2022	1,793,257	162,415	-	5,952	1,961,624
Additions	-	-	-	1,035	1,035
At 31 December 2022/ 1 January 2023	1,793,257	162,415	-	6,987	1,962,659
Additions	-	-	-	2,308	2,308
At 31 December 2023/ 1 January 2024	1,793,257	162,415	-	9,295	1,964,967
Additions	-	-	-	7,930	7,930
Disposal of a subsidiary (Note 41(c))	-	-	-	(1,894)	(1,894)
Reclassification	-	-	9,045	(9,045)	-
Reclassification to concession assets (Note 13)	-	(162,415)	-	-	(162,415)
At 31 December 2024	1,793,257	-	9,045	6,286	1,808,588
Accumulated amortisation					
At 1 January 2022	-	(35,095)	-	-	(35,095)
Amortisation	-	(5,414)	-	-	(5,414)
At 31 December 2022/ 1 January 2023	-	(40,509)	-	-	(40,509)
Amortisation	-	(5,414)	-	-	(5,414)
At 31 December 2023/ 1 January 2024	-	(45,923)	-	-	(45,923)
Amortisation	-	-	(2,023)	-	(2,023)
Reclassification to concession assets (Note 13)	-	45,923	-	-	45,923
At 31 December 2024	-	-	(2,023)	-	(2,023)

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**18 INTANGIBLE ASSETS (CONTINUED)**

	<u>Goodwill on consolidation</u> RM'000	<u>Rights on Port Business</u> RM'000	<u>Computer software</u> RM'000	<u>Capital work-in- progress</u> RM'000	<u>Total</u> RM'000
<u>Net book value</u>					
At 31 December 2022	1,793,257	121,906	-	6,987	1,922,150
At 31 December 2023	1,793,257	116,492	-	9,295	1,919,044
At 31 December 2024	<u>1,793,257</u>	<u>-</u>	<u>7,022</u>	<u>6,286</u>	<u>1,806,565</u>

Goodwill on consolidation

The carrying amounts of goodwill arising from the acquisition of the respective subsidiaries allocated to the Group's Cash Generating Units ("CGUs") are as follows:

	<u>31.12.2022</u> RM'000	<u>31.12.2023</u> RM'000	<u>31.12.2024</u> RM'000
Pelabuhan Tanjung Pelepas Sdn. Bhd. ("PTP") - port business	1,512,366	1,512,366	1,512,366
NCB Holdings Bhd. ("NCB") - port business	<u>280,891</u>	<u>280,891</u>	<u>280,891</u>
	<u>1,793,257</u>	<u>1,793,257</u>	<u>1,793,257</u>

The Group is required to test goodwill for impairment annually based on the requirements of MFRS 136 "Impairment of Assets". For the purpose of impairment testing, the recoverable amount of respective CGU, is the higher of value-in-use ("VIU") and fair value less costs of disposal.

The recoverable amounts of respective CGUs are determined based on a VIU calculation, which is the present value of future cash flows expected to be derived from the continuing use of the CGU. It is based on the CGU's current condition and excludes any estimated future cash flow projections that are expected to arise from future restructuring or enhancements. Discounted cash flow models based on approved forecasts and projections have been applied to determine the VIU.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**18 INTANGIBLE ASSETS (CONTINUED)**Goodwill on consolidation (continued)**(A) PTP**

The key assumptions used in the calculation of VIU based on past performance and management's expectations of market developments are as follows:

(i) Projected annual Twenty-Foot Equivalent Unit ("TEU"):

	31.12.2022	31.12.2023	31.12.2024
Short term	4.4% volume growth per annum from 2023 to 2027	3.4% volume growth per annum from 2024 to 2028	5.4% volume growth per annum from 2025 to 2029
Mid term	2.7% volume growth per annum from 2028 until 2036	3.2% volume growth per annum from 2029 until 2037	Nil growth per annum from 2030 until the end of concession period
Long term	0% volume growth per annum from 2037 until the end of the concession period Capacity utilisation rate will remain at 100% from 2036 onward until the end of concession period	0% volume growth per annum from 2038 until the end of the concession period Capacity utilisation rate will remain at 100% from 2037 onward until the end of concession period	Capacity utilisation rate will remain at 96% from 2028 onward until the end of concession period

(ii) Other key assumption:

	31.12.2022	31.12.2023	31.12.2024
Pre-tax discount rate (per annum)	11.1%	10.9%	9.2%

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**18 INTANGIBLE ASSETS (CONTINUED)**Goodwill on consolidation (continued)**(B) NCB**

The key assumptions used in the calculation of VIU based on past performance and management's expectations of market developments are as follows:

(i) Projected year on year TEU growth is as follows:

	31.12.2022	31.12.2023	31.12.2024
Short term	5.0% growth per annum from 2023 to 2027	3.0% growth per annum from 2024 to 2028	2.5% growth per annum from 2025 to 2029
Long term	1.0% growth per annum from 2028 until the end of the concession period Capacity utilisation rate will remain at 73% from 2029 onward until the end of concession period	2.0% growth per annum from 2029 until 2033 and 0% growth per annum from 2034 until the end of the concession period Capacity utilisation rate will remain at 72% from 2034 onward until the end of concession period	2.0% growth per annum from 2030 until 2036 and 0% growth per annum from 2037 until the end of concession period Capacity utilisation rate will remain at 75% from 2036 onward until the end of concession period

(ii) Other key assumption:

	31.12.2022	31.12.2023	31.12.2024
Pre-tax discount rate (per annum)	12.0%	14.3%	10.7%

The Group's review includes an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, it is concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGUs to exceed its recoverable amount.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**19 INVENTORIES**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Current</u>			
Consumables, spares and supplies, at cost	78,204	89,581	98,537
Less: Allowance for inventory obsolescence	(17,161)	(21,639)	(14,353)
	<u>61,043</u>	<u>67,942</u>	<u>84,184</u>
The allowance for slow moving stocks is analysed as follows:			
At 1 January	36,211	17,161	21,639
Net (reversal)/provision of slow-moving inventories (Note 7)	(19,050)	4,478	(7,286)
At 31 December	<u>17,161</u>	<u>21,639</u>	<u>14,353</u>

20 TRADE AND OTHER RECEIVABLES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Non-current</u>			
Other receivables (Note (f))	51,341	48,260	4,676
Less: Allowance for impairment losses	(5,198)	(5,198)	-
	<u>46,143</u>	<u>43,062</u>	<u>4,676</u>
Finance lease receivables (Note (g))	15,990	114,071	-
Amount due from immediate holding company (Note (b))/(d))	374,947	-	-
Amount due from a related company (Note (c))/(d))	588,075	-	-
Total non-current receivables	<u>1,025,155</u>	<u>157,133</u>	<u>4,676</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**20 TRADE AND OTHER RECEIVABLES (CONTINUED)**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Current</u>			
<u>Trade receivables</u> (Note (a))			
Third parties	450,784	520,214	477,032
Less: Allowance for impairment losses	(47,248)	(54,901)	(22,934)
	403,536	465,313	454,098
Amounts due from related companies (Note (c))	-	-	1,761
Contract assets	7,859	5,848	-
	411,395	471,161	455,859
<u>Other receivables</u>			
Other receivables (Note (f))	23,595	57,497	65,197
Less: Allowance for impairment losses	(5,156)	(5,738)	(5,354)
	18,439	51,759	59,843
Finance lease receivables (Note (g))	46,870	98,887	69,946
Deposits	30,366	27,005	17,740
Prepayments	26,657	23,590	26,348
Amount due from immediate holding company (Note (b)/(d))	50,063	45	-
Amounts due from related companies (Note (c)/(d))	2,046	108	-
Amount due from an associate (Note (e))	2,252	2,252	-
Less: Allowance for impairment loss on amount due from associate	(2,252)	(2,252)	-
	-	-	-
Total current receivables	585,836	672,555	629,736
Total trade and other receivables	1,610,991	829,688	634,412

(a) Trade receivables

Trade receivables are non-interest bearing and are generally due within 30 to 60 days (31.12.2023: 30 to 60 days, 31.12.2022: 30 to 60 days) term. They are recognised at their original invoice amounts less discounts which represent their fair values on initial recognition.

Movement in allowance for impairment:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	59,324	47,248	54,901
Allowance for impairment loss (Note 7)	2,146	12,013	6,872
Reversal of allowance for impairment (Note 7)	(1,601)	(1,930)	(3,047)
Write off	(12,621)	(2,430)	(7,104)
Disposal of a subsidiary	-	-	(28,688)
At 31 December	47,248	54,901	22,934

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**20 TRADE AND OTHER RECEIVABLES (CONTINUED)****(b) Amounts due from immediate holding company**

The amount due from immediate holding company is in relation to the promissory notes issued by MMC Corporation Berhad ("MMC Corp"), immediate holding company, to Johor Port Berhad ("JPB"), a subsidiary of the Group. The promissory notes issued are unsecured, interest-free, except for RM290 million as at 31 December 2022 which bears interest of 3.33% to 5.35% per annum, and are repayable on demand. The balances are classified as non-current, other than RM50 million classified as current as at 31 December 2022 as the Group expects these balances to be settled within 12 months from the reporting date.

During the financial year ended 31 December 2022, JPB novated an amount due from Seaport Worldwide Sdn. Bhd. ("SWW") of RM266 million to MMC Corp via the issuance of a promissory note by MMC Corp to JPB of the same amount. The corresponding amount due from SWW to MMC Corp was subsequently disposed off to MMC Land Sdn. Bhd. ("MMC Land") as a result of the disposal of SWW as disclosed in Note 41(c). Prior to the novation and disposal of SWW, these amounts had no impact on the consolidated financial statements of the Group as these balances were amounts owed between companies within the Group.

During the financial year ended 31 December 2023, the amounts due from the immediate holding company were subsequently settled via a debt restructuring exercise as disclosed in Note 20(d).

(c) Amounts due from related companies

The amount due from a related company (non-current) as at 31 December 2022 arose from the disposal of SWW to MMC Land for a total consideration of RM588 million, net of discounting effect of RM61 million, as disclosed in Note 41(c). This amount is unsecured, interest free and repayable in full by 31 December 2027.

(d) Debt restructuring exercise

During the financial year ended 31 December 2023, the Group underwent a debt restructuring exercise with MMC Corp and certain of its subsidiaries with the aim to eliminate and streamline the related company balances across the MMC Corp group of companies.

The debt restructuring exercise entails the following:

- (i) The Group had promissory note arrangements between MMC Corp, JPB, MMC Land, Anglo-Oriental Annuities Sdn. Bhd. ("AOA") and the Company, arising from consideration receivable on the disposal of SWW of RM649 million. As a result, the Company unconditionally and irrevocably promised to pay RM649 million to JPB, and MMC Corp and AOA promised to pay the Company RM562 million and RM87 million respectively. As disclosed in Note 24, AOA was also an RCPS holder of the Company prior to this debt restructuring exercise.
- (ii) MMC Corp, JPB and the Company also had entered into promissory note arrangements, whereby the Company unconditionally and irrevocably promised to pay RM434 million to JPB, arising from advances by JPB to SWW for working capital purpose.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**20 TRADE AND OTHER RECEIVABLES (CONTINUED)****(d) Debt restructuring exercise (continued)**

The debt restructuring exercise entails the following: (continued)

- (iii) Subsequently, the Company redeemed 978,578,872 and 86,767,926 units of RCPS, totalling 1,065,346,798 units, at RM1.00 each by way of offsetting against the Group's amounts due from MMC Corp and AOA respectively, as disclosed in Note 24, which resulted in the full settlement of amounts promised to pay by AOA and MMC Corp. The differences between the carrying amounts of the balances novated and the redemption of RCPS under the debt restructuring exercise undertaken between the Group with MMC Corp and AOA was recognised as credit RM61 million to consolidated retained earnings, as the difference is akin to the nature of capital contribution from the immediate holding company.

(e) Amount due from an associate

Amount due from an associate is unsecured, interest free and repayable on demand.

The movement of the allowance account used to record the impairment is as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January/31 December	2,252	2,252	-

(f) Other receivables

Other receivables are non-interest bearing other than staff loans, which represent loans granted to eligible staffs and carry a fixed interest rate of 4% (31.12.2023: 4% per annum, 31.12.2022: 4% per annum).

Included in other receivables classified as non-current as at 31 December 2022 and 31 December 2023 is refund claimed from an external party amounting to RM40,643,060 pursuant to the issuance of the Notice of Termination on an Agreement to Lease issued during the previous financial year due to material breaches. The refund amount was fully received in financial year ended 31 December 2024.

Loss allowance is assessed for other receivables individually. The movement of the allowance for impairment is as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	9,731	10,354	10,936
Allowance for impairment loss (Note 7)	751	711	568
Reversal for impairment loss (Note 7)	-	-	(5,198)
Write-off	(128)	(129)	(952)
At 31 December	10,354	10,936	5,354

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**20 TRADE AND OTHER RECEIVABLES (CONTINUED)****(g) Finance lease receivables**

Finance lease receivables are receivables amount from sub-lease of freezone land and are interest-bearing.

The movement in finance lease receivables are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	29,949	62,860	212,958
Additions	58,463	274,486	-
Derecognition	-	-	(89,716)
Lease payment received	(26,991)	(125,411)	(56,417)
Finance lease income	1,439	1,023	3,121
At 31 December	<u>62,860</u>	<u>212,958</u>	<u>69,946</u>

Details of finance lease receivables according to maturity schedule are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Within 1 year	47,072	100,000	72,291
Between 1 and 2 years	13,754	103,046	-
Between 2 and 3 years	4,523	20,504	-
	<u>65,349</u>	<u>223,550</u>	<u>72,291</u>
Unearned finance lease income	(2,489)	(10,592)	(2,345)
Total	<u>62,860</u>	<u>212,958</u>	<u>69,946</u>

21 OTHER INVESTMENTS

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Fair value through profit or loss financial assets:			
Held as fixed deposit placements	<u>1,378,075</u>	<u>1,191,751</u>	<u>1,527,446</u>

Other investments comprise mainly investment of funds with investment banks for placement in fixed deposits and money markets.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**22 CASH AND BANK BALANCES**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Cash and bank balances	262,162	102,122	110,458
Deposits with licensed bank	180,266	324,578	236,839
Total cash and bank balances	442,428	426,700	347,297
Less: Deposits with licensed banks with maturity more than 90 days	(52,657)	(142,594)	(132,965)
Included as cash and cash equivalents	389,771	284,106	214,332

The weighted average effective interest rate of deposits at the reporting date were as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	%	%	%
	Audited	Audited	Audited
Licensed banks	3.23	3.31	3.91

The average maturities of deposits with licensed banks as at the end of the financial year are 2 - 365 days (31.12.2023: 4 – 365 days, 31.12.2022: 1 – 92 days).

23 ASSETS CLASSIFIED AS HELD FOR SALE

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	6,129	4,919	1,799
Disposals	(1,210)	(875)	(304)
Write down (Note 7)	-	(2,245)	-
Reclassification from investment properties (Note 15)	-	-	22,862
Disposal of a subsidiary (Note 41(c))	-	-	(1,495)
At 31 December	4,919	1,799	22,862

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**24 SHARE CAPITAL**

	Number of shares			Amount		
	31.12.2022	31.12.2023	31.12.2024	31.12.2022	31.12.2023	31.12.2024
	'000	'000	'000	RM'000	RM'000	RM'000
Issued and fully paid ordinary shares:						
At 1 January	3,546,417	3,546,417	3,546,417	3,546,417	3,546,417	3,546,417
Issued during the financial year	-	-	13,583	-	-	13,583
At 31 December	<u>3,546,417</u>	<u>3,546,417</u>	<u>3,560,000</u>	<u>3,546,417</u>	<u>3,546,417</u>	<u>3,560,000</u>
Redeemable convertible preference shares ("RCPS"):						
At 1 January	1,056,601	1,067,985	-	1,056,601	1,067,985	-
Issued during the financial year	142,230	-	-	142,230	-	-
Disposal of a subsidiary	(130,846)	-	-	(130,846)	-	-
Redeemed during the financial year	-	(1,067,985)	-	-	(1,067,985)	-
At 31 December	<u>1,067,985</u>	<u>-</u>	<u>-</u>	<u>1,067,985</u>	<u>-</u>	<u>-</u>
Total share capital	<u>4,614,402</u>	<u>3,546,417</u>	<u>3,560,000</u>	<u>4,614,402</u>	<u>3,546,417</u>	<u>3,560,000</u>

In the financial year ended 31 December 2022, the Company issued 142,229,143 RCPS at an issue price of RM1.00 each by way of capitalisation of the amount due to the immediate holding company to strengthen its capital base.

In the financial year ended 31 December 2023, the Company redeemed 978,578,872 and 86,767,926 units of RCPS, totalling 1,065,346,798 RCPS at a redemption price of RM1.00 each by way of offsetting against the amounts due from MMC Corp and AOA respectively, as part of a restructuring exercise between commonly-controlled entities as disclosed in Note 20. In addition, on 30 August 2023, a subsidiary of the Group redeemed 2,638,000 RCPS at a redemption price of RM1.00 each via cash.

In the financial year ended 31 December 2024, on 10 December 2024, the Company increased its issued and paid-up ordinary share capital from 3,546,417,409 to 3,560,000,000 by way of issuance of 13,582,591 new ordinary shares at an issuance price of RM1.00 each, for working capital purpose, settled by way of offsetting against the amount due to MMC Corp, the immediate holding company.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**24 SHARE CAPITAL (CONTINUED)**

The main features of the RCPS are as follows:

- (a) The Company and its subsidiary shall be at liberty to redeem the RCPS at the RCPS Issue Price at any time during the tenure of the RCPS by giving the holders of the RCPS notice of not less than 7 business days or less as may be agreed in writing by the RCPS holders.
- (b) The Company and its subsidiary shall have the discretion to decide whether to declare any dividends to the holders of RCPS at a rate to be determined by the Board of Directors from time to time. Such right to dividend shall be non-cumulative.
- (c) The tenure of the RCPS shall be twenty (20) years commencing from and including the RCPS issue date. The RCPS will be convertible into ordinary shares of RM1.00 each in the Company and its subsidiary ("Ordinary Shares") per one (1) unit of RCPS at anytime during the tenure of the RCPS. Any RCPS that are still not converted or redeemed at the end of the tenure will be automatically converted into new shares.
- (d) Prior to the conversion of the RCPS, the RCPS holder will not have the right to vote at any general meeting of the Company and its subsidiary, unless the meeting is convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the principal undertakings or business(es) of the Company and its subsidiary or where the proposition to be submitted to the meeting directly affects the rights of the holders of the RCPS.
- (e) The RCPS shall rank in priority to the ordinary shares of the Company and shall be entitled to receive in priority to any distribution or payment to be made in favour of the holder of ordinary shares in the Company, repayment in full of the Issue Amount of the RCPS in the event of the winding-up / liquidation of the Company.

The holders of the RCPS consists of MMC Corp and AOA.

25 TRADE AND OTHER PAYABLES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Non-current</u>			
Other payables	7,786	9,324	9,089
Land lease received in advance	10,594	9,423	8,960
Total non-current payables	18,380	18,747	18,049

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**25 TRADE AND OTHER PAYABLES (CONTINUED)**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Current</u>			
Trade payables	131,448	140,619	142,833
Other payables	135,673	192,987	162,408
Contract liabilities (Note 26)	3,569	3,417	3,416
Accruals*	370,885	266,602	286,251
Payroll liabilities	133,477	128,350	178,756
Deposits received	72,507	74,510	57,453
Land lease received in advance	2,546	464	464
Amount due to immediate holding company	171,322	177,788	91
Amounts due to related companies	6,858	8,453	23,145
Total current payables	<u>1,028,285</u>	<u>993,190</u>	<u>854,817</u>
Total trade and other payables	<u><u>1,046,665</u></u>	<u><u>1,011,937</u></u>	<u><u>872,866</u></u>

*Accruals mainly comprise of accruals for capital expenditures on property, plant and equipment and concession assets.

Trade and other payables are non-interest bearing and are normally settled within 30 days (31.12.2023: 30 days, 31.12.2022: 30 days) terms.

The amounts due to immediate holding company and related companies are unsecured, interest free, repayable on demand and denominated in Ringgit Malaysia.

26 CONTRACT LIABILITIES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Contract liabilities	101,529	97,960	94,543
Management services income to be recognised in the next 12 months included in "Payables" (Note 25)	(3,569)	(3,417)	(3,416)
	<u>97,960</u>	<u>94,543</u>	<u>91,127</u>

Movements in contract liabilities are as follows:

As at the beginning of the financial year	106,674	101,529	97,960
Revenue recognised	(6,807)	(3,679)	(3,417)
Payment received in advance	1,662	110	-
As at the end of the financial year	<u>101,529</u>	<u>97,960</u>	<u>94,543</u>

Contract liabilities represent the management services fees received in advance. The contract liabilities are expected to earn the revenue over the period of services rendered until 2052.

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**27 BORROWINGS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Non-current</u>			
Secured:			
Term loans	68,711	59,094	45,378
Sukuk	237,618	237,871	238,142
Unsecured:			
Revolving credits	9,866	-	-
Sukuk	5,033,173	4,689,288	4,149,008
	<u>5,349,368</u>	<u>4,986,253</u>	<u>4,432,528</u>
<u>Current</u>			
Secured:			
Term loans	10,721	11,520	13,749
Sukuk	881	880	880
Unsecured:			
Term loans	-	-	350,593
Revolving credits	-	14,954	-
Sukuk	162,438	362,052	567,300
	<u>174,040</u>	<u>389,406</u>	<u>932,522</u>
Total borrowings	<u>5,523,408</u>	<u>5,375,659</u>	<u>5,365,050</u>

The maturities of the borrowings are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
On demand or within one year	174,040	389,406	932,522
More than 1 year and less than 2 years	366,552	564,456	423,951
More than 2 years and less than 15 years	4,982,816	4,421,797	4,008,577
	<u>5,523,408</u>	<u>5,375,659</u>	<u>5,365,050</u>

The interest rate profile of the borrowings are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Floating rate	21,336	26,458	362,130
Fixed rate	5,502,072	5,349,201	5,002,920
	<u>5,523,408</u>	<u>5,375,659</u>	<u>5,365,050</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**27 BORROWINGS (CONTINUED)**Term loans

- (i) A Tawarruq financing facility was entered by a subsidiary with a nominal value of RM92 million. The carrying amount as at 31 December 2024 is RM47.6 million (31.12.2023: RM59.1 million, 31.12.2022: RM68.0 million). The profit rate is fixed at 4.00% per annum.
- (ii) The Muamalat Term Financing-i ("MTF-i") agreement entered by a subsidiary in 2021 for a nominal financing facility of RM25 million. The carrying amount as at 31 December 2024 is RM11.5 million (31.12.2023: RM11.5 million, 31.12.2022: RM11.5 million). The profit rate is charged at cost of funds plus 1.25% per annum and principal is repayable on a quarterly basis with 36 months of grace period.
- (iii) The term loan of a subsidiary is unsecured. As at the reporting date, the outstanding amount is RM350 million and the profit rate applicable was 4.42% per annum. The remaining tenure of the term loan is 6 months with bullet repayment on maturity.

Sukuk

- (i) The Islamic Commercial Paper ("ICP") and Islamic Medium Term Notes ("IMTN") programme entered into by a subsidiary in 2014 with a combined nominal value of RM1.5 billion and a sub-limit on the ICP of RM500.0 million in nominal value were established in accordance with Shariah principle of Musharakah (collectively known as Sukuk Musharakah programmes). On 19 December 2014, the subsidiary had issued RM350 million Sukuk Musharakah under its 10-year IMTN programme. The carrying amount of RM350 million which matured on 19 December 2024 was redeemed at maturity date. The profit rate charged on the IMTN was 5.78% per annum.
- (ii) The IMTN entered into by a subsidiary in 2019 was established under the Shariah principle of Murabahah. As at reporting date, the subsidiary had issued RM1.0 billion under the IMTN programme with tenure ranging from 7 to 12 years. The profit rates on the IMTN ranging from 4.30% to 4.68% per annum.
- (iii) The IMTN entered into by a subsidiary in 2018 was established under the Shariah principle of Murabahah via Tawarruq arrangement. There are four tranches with tenure ranging between 10 to 15 years. Profit rates on the IMTN are charged at a fixed rate which ranges from 4.45% to 4.89% per annum.
- (iv) The IMTN entered into by a subsidiary in 2020 was established under the Shariah principle of Murabahah via Tawarruq arrangement. The IMTN was upsized in April 2021. There are seven tranches with tenures ranging between 5 to 10 years. Profit rates on the IMTN are charged at a fixed rate which ranges from 3.15% to 4.05% per annum.
- (v) The IMTN and ICP entered into by a subsidiary in 2022 with combined nominal value of RM1.0 billion were established in accordance with Shariah principle of Murabahah via Tawarruq arrangement (collectively known as Sukuk Murabahah programmes). As at reporting date, the subsidiary had issued RM600 million Sukuk Murabahah under its IMTN programme with tenure ranging from 5 to 10 years. The profit rates on the IMTN ranging from 5.10% to 5.35% per annum.
- (vi) The IMTN programme entered into by the Company in 2022 was established in accordance with Shariah principle of Murabahah (via tawarruq arrangement). Profit rates of the IMTN issued are at fixed rates ranging from 4.40% to 4.83% per annum with tenure ranging from 5 to 10 years.

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**27 BORROWINGS (CONTINUED)**Sukuk (continued)

- (vii) The IMTN entered into by a subsidiary in 2017 with a nominal value of RM1.0 billion was established in accordance with Shariah principle of Murabahah had been settled in the current financial year through the issuance of ICP and IMTN programmes. The subsidiary had issued RM600 million under its IMTN programme with tenure ranging from 5 to 10 years and RM150 million under its ICP programmes with a tenure ranging from 3 to 6 months. The profit rates on the IMTN and ICP programmes ranging from 5.10% to 5.35% per annum and 3.50% to 4.10% per annum respectively. The facility was fully settled during the financial year ended 31 December 2022.

Revolving credits

- (i) The revolving credit of subsidiary is unsecured and bear interest rate of Nil (31.12.2023: 4.6%, 31.12.2022: 4.4%) per annum.
- (ii) A revolving credit (Murabahah Tawarruq) of a subsidiary is charged at profit rate of 1.25% per annum for the first 36 months and subsequently 1% per annum above the Islamic cost of funds and repayable in full at the end of each profit period, unless rollover. Profit shall be paid in arrears upon maturity of each period at prevailing rate. The facility was fully settled during the financial year ended 31 December 2022.

Compliance with covenants

Certain borrowings of the Group are subject to covenants. These covenants require that certain ratios (Finance Service Cover Ratio, gearing ratio) are to be observed. Except for the Tawarruq financing facility, the covenants for other borrowing facilities are to be tested annually on the reporting date. The Group is in compliance with all covenants as at the reporting date.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**28 CONCESSION LIABILITIES**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	2,076,364	2,599,824	2,599,964
Additions	75,306	-	5,844
Interest charged	117,410	145,516	147,982
Payments	(140,452)	(166,101)	(158,775)
Remeasurement	471,196	20,725	-
At 31 December	<u>2,599,824</u>	<u>2,599,964</u>	<u>2,595,015</u>
Analysed as follows:			
Non-current	2,417,885	2,478,682	2,500,007
Current	181,939	121,282	95,008
	<u>2,599,824</u>	<u>2,599,964</u>	<u>2,595,015</u>

The concession liabilities represent the present value of lease liabilities for the remaining unpaid concessionaire lease period as at the reporting date. Finance charge on concession liabilities is the difference between present value and contractual cash flows of the lease liabilities allocated to periods during the lease term, so as to produce a constant periodic rate of interest on the remaining balance of the lease liabilities for each period.

29 PROVISION FOR DEFINED BENEFIT OBLIGATION

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Provision for defined benefit obligation:			
- Non-current	47,653	47,986	50,407
- Current	8,528	4,764	4,999
	<u>56,181</u>	<u>52,750</u>	<u>55,406</u>

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
(Incorporated in Malaysia)
Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**29 PROVISION FOR DEFINED BENEFIT OBLIGATION (CONTINUED)**

The movements in provision for defined benefit obligation during the financial year is as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
At 1 January	55,187	56,181	52,750
Charged to profit or loss:			
- current service cost	4,965	4,240	3,538
- interest cost	2,437	2,424	2,378
	<u>7,402</u>	<u>6,664</u>	<u>5,916</u>
Charged/(Credited) to other comprehensive income:			
- effect of changes in actual remeasurement	(360)	-	626
- effect of changes in financial assumption	(1,759)	1,236	761
- effect of experience adjustment	(693)	-	956
	<u>(2,812)</u>	<u>1,236</u>	<u>2,343</u>
Preserved benefits	1,950	-	(813)
Retirement benefits paid	(5,546)	(11,331)	(4,790)
	<u>56,181</u>	<u>52,750</u>	<u>55,406</u>
At 31 December	<u>56,181</u>	<u>52,750</u>	<u>55,406</u>

The amount recognised in the statement of financial position is as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Present value of unfunded obligations	<u>56,181</u>	<u>52,750</u>	<u>55,406</u>

The principal actuarial assumptions in respect of the provision for defined benefit obligation are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	%	%	%
	Audited	Audited	Audited
Discount rate	4.8 - 5.3	4.8 - 5.3	4.3 - 5.3
Expected rate of salary increment	<u>4.0 - 6.0</u>	<u>4.0 - 6.0</u>	<u>4.0 - 6.0</u>
Average retirement age (years)	<u>60</u>	<u>60</u>	<u>60</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**29 PROVISION FOR DEFINED BENEFIT OBLIGATION (CONTINUED)**

The sensitivity of the carrying amount of the provision for defined benefit obligation to changes in the principal actuarial assumptions which are reasonably possible as at reporting date is as follows:

	Impact on defined benefit obligations – Increase/(Decrease)		
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Discount rate			
- 1% higher	(4,032)	(3,795)	(4,058)
- 1% lower	4,428	4,143	4,389
Expected rate of salary increment			
- 1% higher	4,799	4,958	5,234
- 1% lower	(4,422)	(4,578)	(4,814)

30 DEFERRED INCOME

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Cost</u>			
At 1 January/31 December	93,339	93,339	93,339
<u>Accumulated amortisation</u>			
At 1 January	(25,627)	(28,884)	(32,141)
Amortisation	(3,257)	(3,257)	(3,259)
At 31 December	(28,884)	(32,141)	(35,400)
<u>Net carrying amount</u>			
Non-current	61,198	57,941	54,682
Current	3,257	3,257	3,257
At 31 December	64,455	61,198	57,939

Deferred income is in relation to the grant received by subsidiaries of the Group for development activities related to port businesses.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**31 DEFERRED TAX**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Deferred tax assets	302,396	228,356	107,645
Deferred tax liabilities	(108,116)	(76,931)	(76,483)
At 31 December	<u>194,280</u>	<u>151,425</u>	<u>31,162</u>
At 1 January	236,433	194,280	151,425
(Charged)/Credited to profit or loss:			
- property, plant and equipment and concession assets	(94,408)	(8,630)	29,238
- investment properties	(1,890)	7,069	(22,182)
- intangible assets	1,299	743	1,308
- payables, provisions and other liabilities	10,079	13,210	(21,130)
- land lease received in advance	(247)	(28,676)	523
- receivables and lease receivables	(10,637)	(28,813)	26,070
- unutilised investment allowances	(133,375)	(27,555)	(117,689)
- right-of-use assets	8,571	17,211	(58,670)
- lease liabilities	(14,079)	(12,938)	47,453
- concession liabilities	99,769	15,669	(152)
- unabsorbed capital allowances	-	14,344	(14,344)
	<u>(134,918)</u>	<u>(38,366)</u>	<u>(129,575)</u>
Credited to other comprehensive income:			
- provision for defined benefit obligations	(675)	297	324
Acquisition of a subsidiary	-	(4,786)	-
Disposal of a subsidiary	93,440	-	8,988
At 31 December	<u>194,280</u>	<u>151,425</u>	<u>31,162</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**31 DEFERRED TAX (CONTINUED)**

The component and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Deferred tax assets</u>			
Property, plant and equipment and concession assets	972	1,192	2,061
Payables, provisions and other liabilities	67,858	87,163	58,594
Unutilised investment allowances	840,819	813,264	695,575
Receivables and lease receivables	1,003	4,034	1,082
Lease liabilities	50,908	37,970	85,423
Concession liabilities	545,791	561,460	561,308
Land lease received in advance	15,452	836	874
Unabsorbed capital allowances	-	14,344	-
Deferred tax assets	<u>1,522,803</u>	<u>1,520,263</u>	<u>1,404,917</u>
Offsetting	<u>(1,220,407)</u>	<u>(1,291,907)</u>	<u>(1,297,272)</u>
Deferred tax assets	<u>302,396</u>	<u>228,356</u>	<u>107,645</u>
<u>Deferred tax liabilities</u>			
Property, plant and equipment and concession assets	(1,212,241)	(1,225,877)	(1,203,228)
Intangible assets	(29,328)	(28,585)	(27,277)
Payables, provisions and other liabilities	(1,965)	(7,763)	-
Land lease received in advance	-	(14,060)	(13,575)
Receivables and lease receivables	(15,085)	(46,929)	(17,907)
Investment properties	(20,574)	(13,505)	(35,471)
Right-of-use assets	(49,330)	(32,119)	(76,297)
Deferred tax liabilities	<u>(1,328,523)</u>	<u>(1,368,838)</u>	<u>(1,373,755)</u>
Offsetting	<u>1,220,407</u>	<u>1,291,907</u>	<u>1,297,272</u>
Deferred tax liabilities (after offsetting)	<u>(108,116)</u>	<u>(76,931)</u>	<u>(76,483)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**31 DEFERRED TAX (CONTINUED)**

The amount of deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised in the statement of financial position are as follows:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Unutilised business losses	319,332	314,647	173,054
Unutilised investment/reinvestment allowance	347,744	148,379	102,983
Unabsorbed capital allowances	119,590	40,091	36,791
Other deductible temporary differences	8,296	10,237	2,122
	<u>794,962</u>	<u>513,354</u>	<u>314,950</u>

The benefits of these tax losses and credits will only be obtained if the relevant subsidiaries derive future assessable income of a nature and amount sufficient for the benefits to be utilised.

Under the Malaysia Finance Act 2021 which was gazetted on 31 December 2021, the existing time limit to carry forward unutilised tax losses has been extended to 10 consecutive years of assessment. Accordingly, any accumulated unutilised tax losses brought forward from year of assessment 2018 and thereafter can be carried forward for 10 consecutive years of assessment.

The unutilised business losses will expire in the following years:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Expiring in 2028	255,704	255,705	133,270
Expiring in 2029	41,271	38,187	25,273
Expiring in 2030	20,479	20,479	14,511
Expiring in 2031	1,878	-	-
Expiring in 2032	-	276	-
	<u>319,332</u>	<u>314,647</u>	<u>173,054</u>

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**32 DERIVATIVE FINANCIAL INSTRUMENTS**

	<u>31.12.2022</u>		<u>31.12.2023</u>		<u>Group 31.12.2024</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Current</u>						
Derivative used for hedging:						
Forward foreign currency exchange	3,628	(1,984)	376	(12,529)	780	(21,582)

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 December 2024 was RM1,146,819,000 (31.12.2023: RM806,230,000, 31.12.2022: RM522,318,000). The hedged firm commitments denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as of 31 December 2024 relates to purchases of property, plant and equipment and will be included in the carrying amount of the assets acquired.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES**

The subsidiaries (all incorporated in Malaysia unless otherwise indicated) are as follows:

<u>Name of company</u>	<u>Effective ownership interest</u>			<u>Principal activity</u>
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	
	%	%	%	
Penang Port Sdn. Bhd.	100.0	100.0	100.0	Operating, maintaining, managing and the provision of port facilities and other related services
NCB Holdings Bhd. ("NCB")	99.1	100.0	100.0	Investment holding and provision of management services to its subsidiaries
Tanjung Bruas Port Sdn. Bhd. ("TBP")	70.0	70.0	70.0	Port operations
Johor Port Berhad	100.0	100.0	100.0	Port and other port related activities, construction activities and any other related works
Pelabuhan Tanjung Pelepas Sdn. Bhd. ("PTP")	70.0	70.0	70.0	Constructing, operating, maintaining and managing Pelabuhan Tanjung Pelepas together with the provision of port facilities and other related services under the terms of license issued by the Johor Port Authority
MMCP Shared Services Centre Sdn. Bhd.	100.0	100.0	100.0	Provision of shared services covering functions such as information technology, procurement, human resources, finance, legal and its related activities
Andaman Port Sdn. Bhd.	100.0	100.0	100.0	Develop, operate, manage, maintain and provide port facilities, activities and services
* Langkawi Cruise Terminal Sdn. Bhd. (formerly known as Langkawi Cruise Centre Sdn. Bhd.)	-	100.0	100.0	Terminal operator
<u>Subsidiaries of Penang Port Sdn. Bhd.</u>				
Penang Port Human Capital Services Sdn. Bhd.	100.0	100.0	100.0	Provision of human resources services (dormant)
Swettenham Pier Cruise Terminal Sdn. Bhd.	100.0	100.0	100.0	Development, operation, management and maintenance of the Swettenham Pier Cruise Terminal. The Company has yet to start its operation since the date of incorporation

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES (CONTINUED)**

<u>Name of company</u>	<u>Effective ownership interest</u>			<u>Principal activity</u>
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	
	%	%	%	
<u>Subsidiaries of NCB Holdings Bhd.</u>				
Northport (Malaysia) Bhd.	99.1	100.0	100.0	Management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises, provision for transport services and other ancillary services
Northport Distripark Sdn. Bhd.	99.1	100.0	100.0	Management of a distribution centre with warehousing, storage and other associated facilities to support trading activities through Port Klang
Klang Port Management Sdn. Bhd.	99.1	100.0	100.0	Management of port activities which comprises services rendered to ships, cargo and container handling, rental of port premises and other ancillary services
~ Kontena Nasional Berhad	99.1	100.0	-	Haulage of containers, warehousing and provision of freight forwarding services
~ Kontena Nasional Global Logistics Sdn. Bhd.	99.1	100.0	-	Provision of freight forwarding services
~ KN Global Transport Sdn. Bhd.	99.1	100.0	-	Warehousing, distribution, transportation and provision of freight forwarding services (dormant)
~ KN Loginfra Sdn. Bhd. (under members' voluntary liquidation)	99.1	100.0	-	Warehousing and logistics (dormant)
~ KN Maritime Services Sdn. Bhd. (under members' voluntary liquidation)	99.1	100.0	-	Forwarding and other related services (dormant)
~ Konnas Prolink Sendirian Berhad (under members' voluntary liquidation)	99.1	100.0	-	Provision of logistics and distribution services (dormant)

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES (CONTINUED)**

<u>Name of company</u>	<u>Effective ownership interest</u>			<u>Principal activity</u>
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	
	%	%	%	
<u>Subsidiaries of Johor Port Berhad</u>				
JP Logistics Sdn. Bhd.	100.0	100.0	100.0	Provision of warehouse and office space, rendering cargo and container handling, freight forwarding, internal and external haulage services, container repairs and maintenance and yard operations
*# Seaport Worldwide Sdn. Bhd.	-	-	-	Investment holding and property development
SPT Services Sdn. Bhd.	70.0	70.0	70.0	Operation, management and maintenance of a terminal and any business related thereto
<u>Subsidiaries of Pelabuhan Tanjung Pelepas Sdn. Bhd.</u>				
[^] Pelepas Terminal Inland Services Sdn. Bhd.	49.0	49.0	49.0	To repair, prepare and trade of containers and to deal in all kinds and descriptions of containers and containerisation systems and other related services
Manpower Excellence Sdn. Bhd.	70.0	70.0	70.0	Human resource services, recruitment, management of local and foreign workers and other related services
[^] @ Pelepas Terminal Engineering Services Sdn. Bhd.	-	-	49.0	Engineering services company, providing erection, maintenance and dismantling of hoisting equipment which includes quay cranes, rubber-tyred gantry, terminal, crane, operation crane and vessels crane

* Audited by firms other than PricewaterhouseCoopers PLT.

@ Newly incorporated/acquired entities.

[^] De facto controlled subsidiary.

~ On 29 February 2024, NCB, a wholly owned subsidiary of the Company, completed the disposal of Kontena Nasional Berhad ("KNB") to MMC Logistics Holdings Sdn. Bhd., a fellow subsidiary. Following the completion of the disposal, KNB (including its subsidiaries and associate) ceased to be a subsidiary of NCB. Further details are disclosed in Note 41(c).

On 29 April 2022, JPB, a wholly owned subsidiary of the Company, completed disposal of SWW, a wholly-owned subsidiary of JPB, to MMC Land. Following the completion of the disposal, SWW ceased to be a subsidiary of JPB. Further details are disclosed in Note 41(c).

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES (CONTINUED)****33.1 Non-controlling interests in subsidiaries**

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

31.12.2022	NCB RM'000	TBP RM'000	PTP RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
NCI percentage of ownership Interest and voting interest	0.9%	30.0%	30.0%		
Carrying amount of NCI	16,428	7,795	799,280	8,444	831,947
Profit allocated to NCI	1,662	997	93,843	1,546	98,048
Dividends paid to NCI of the Group	-	90	75,005	900	75,995

Summarised financial information
before intra-group elimination

At 31 December 2022

Non-current assets	3,246,629*	59,039	5,949,676*
Current assets	656,798	16,840	1,187,279
Non-current liabilities	(1,901,087)	(44,381)	(2,558,499)
Current liabilities	(436,582)	(5,590)	(402,435)
Net assets	1,565,758	25,908	4,176,021

Year ended 31 December 2022

Revenue	1,056,935	18,499	1,727,024
Profit for the financial year	184,623	3,324	326,464
Total comprehensive income	183,287	3,324	328,555

Cash flows generated from/
(used in):

- operating activities	401,123	6,266	769,563
- investing activities	(17,894)	(3,860)	(370,495)
- financing activities	(221,649)	(601)	(265,349)

Net change in cash and
cash equivalents

161,580	1,805	133,719

* Include goodwill amounts to RM280 million and RM1.5 billion arising from acquisition of NCB and PTP respectively, that are attributable to parent's interest only.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES (CONTINUED)****33.1 Non-controlling interests in subsidiaries (continued)**

	<u>TBP</u>	<u>PTP</u>	<u>Other</u>	<u>Total</u>
<u>31.12.2023</u>	<u>RM'000</u>	<u>RM'000</u>	<u>individually</u> <u>immaterial</u> <u>subsidiaries</u> <u>RM'000</u>	<u>RM'000</u>
NCI percentage of ownership interest and voting interest	30.0%	30.0%		
Carrying amount of NCI	9,185	825,476	9,152	843,813
Profit allocated to NCI	1,540	99,613	3,182	104,335
Dividends paid to NCI of the Group	150	75,005	900	76,055

Summarised financial information before intra-group eliminationAt 31 December 2023

Non-current assets	58,758	5,815,402*
Current assets	21,786	1,322,078
Non-current liabilities	(44,494)	(2,558,819)
Current liabilities	(5,505)	(315,880)
Net assets	<u>30,545</u>	<u>4,262,781</u>

Year ended 31 December 2023

Revenue	18,358	1,623,879
Profit for the financial year	5,134	331,485
Total comprehensive income	<u>5,134</u>	<u>336,778</u>

Cash flows generated from/ (used in):

- operating activities	6,644	668,690
- investing activities	(3,472)	(334,185)
- financing activities	(2,975)	(266,036)

Net change in cash and cash equivalents

<u>197</u>	<u>68,469</u>

* Include goodwill amounts to RM1.5 billion arising from acquisition of PTP, that are attributable to parent's interest only.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**33 LIST OF SUBSIDIARIES (CONTINUED)****33.1 Non-controlling interests in subsidiaries (continued)**

<u>31.12.2024</u>	<u>TBP</u> RM'000	<u>PTP</u> RM'000	<u>Other</u> <u>individually</u> <u>immaterial</u> <u>subsidiaries</u> RM'000	<u>Total</u> RM'000
NCI percentage of ownership interest and voting interest	30%	30%		
Carrying amount of NCI	9,305	858,931	10,201	878,437
Profit allocated to NCI	807	122,104	1,648	124,559
Dividends paid to NCI of the Group	300	75,005	900	76,205

Summarised financial information before intra-group eliminationAt 31 December 2024

Non-current assets	70,126	5,883,014*
Current assets	25,756	1,472,431
Non-current liabilities	(57,442)	(2,038,833)
Current liabilities	(6,207)	(954,098)
Net assets	32,233	4,362,514

Year ended 31 December 2024

Revenue	19,048	1,889,058
Profit for the financial year	2,690	406,391
Total comprehensive income	2,690	360,624

Cash flows generated from/ (used in):

- operating activities	7,802	763,334
- investing activities	(3,614)	(623,704)
- financing activities	(3,661)	(263,180)

Net change in cash and cash equivalents

527	(123,550)

* Include goodwill amounts to RM1.5 billion arising from acquisition of PTP, that are attributable to parent's interest only.

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**34 FINANCIAL INSTRUMENTS BY CATEGORY**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Financial assets at amortised cost</u>			
Long term receivables	1,025,155	157,133	4,676
Trade and other receivables (exclude prepayments and statutory obligations)	552,364	642,800	603,143
Cash and bank balances	442,428	426,700	347,297
	<u>2,019,947</u>	<u>1,226,633</u>	<u>955,116</u>
<u>Financial assets at fair value through profit or loss</u>			
Other investments	1,378,075	1,191,751	1,527,446
Derivative financial instruments	3,628	376	780
	<u>1,381,703</u>	<u>1,192,127</u>	<u>1,528,226</u>
<u>Financial liabilities at amortised cost</u>			
Trade and other payables (exclude statutory obligations)	896,479	870,283	681,270
Borrowings	5,523,408	5,375,659	5,365,050
Lease liabilities	241,690	173,792	422,479
Concession liabilities	2,599,824	2,599,964	2,595,015
	<u>9,261,401</u>	<u>9,019,698</u>	<u>9,063,814</u>
<u>Financial liabilities at fair value through profit or loss</u>			
Derivative financial instruments	<u>1,984</u>	<u>12,529</u>	<u>21,582</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**35 SEGMENTAL INFORMATION**

The Board of Directors is the Group's Chief Operating Decision-Maker ("CODM"). Management has determined the operating segments based on the directions provided by the Board of Directors for the purposes of allocating resources and assessing performance. The CODM uses a measure of earnings before interest, tax, depreciation and amortisation to assess the performance of the operating segments. Heads of Departments are responsible for the development of corporate strategies.

The following summary describes the operations in each of Group's reportable segments:

Pelabuhan Tanjung Pelepas Sdn. Bhd. ("PTP")

Managing Pelabuhan Tanjung Pelepas, which is strategically located on the main East-West shipping lane. Core businesses include container, marine, and other services such as freezone services.

Northport (Malaysia) Bhd. ("NMB")

Handling Northport which is located in Port Klang in central Malaysia's Selangor state along the main shipping route in the Strait of Malacca, operating multi-purpose port offering container, conventional cargo, and marine services.

Johor Port Berhad ("JPB")

Managing Port of Pasir Gudang, located at the southern tip of the Peninsular Malaysia. An integrated, multi-purpose port offering container, conventional cargo and marine services.

Penang Port Sdn. Bhd. ("PPSB")

Operating Port of Penang located in the northern part of the west coast of Malaysia, a multi-purpose port offering container, conventional cargo, and marine services.

Tanjung Bruas Port Sdn. Bhd. ("TBP")

A multi-purpose port that mainly provides container and conventional cargo services, located in Malacca state on the west coast of Peninsular Malaysia.

Kontena Nasional Berhad Group ("KNBG")

Mainly derive their revenue and results from haulage of containers, warehousing and provision of freight forwarding services i.e. Kontena Nasional Berhad ("KNB") and its subsidiaries. This segment had been disposed of on 29 February 2024, as disclosed in Note 41(c).

Others

Mainly comprise of investment holding entity, cruise terminal operators and shared services centre, which individually does not meet the quantitative thresholds for reporting segment.

Segmental information is presented in respect of the Group's business segments. Inter-segment pricing is determined based on negotiated terms. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's operations are principally based in Malaysia, with no foreign sourced revenue, results, assets and liabilities. Accordingly, no segmental information based on geographical segment is disclosed.

The following is a major customer with revenue equal or more than 10% of the Group's total revenue:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Customer A	957,134	985,509	1,262,854

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**35 SEGMENTAL INFORMATION (CONTINUED)**

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Total RM'000
<u>31.12.2022</u>								
Results								
Revenue:								
Revenue	1,714,336	886,821	675,185	527,081	18,499	145,207	92,732	4,059,861
Inter segment	(1,750)	-	-	-	-	-	(33)	(1,783)
External	<u>1,712,586</u>	<u>886,821</u>	<u>675,185</u>	<u>527,081</u>	<u>18,499</u>	<u>145,207</u>	<u>92,699</u>	<u>4,058,078</u>
Profit/(Loss) before zakat and taxation	434,253	149,528	194,355	54,495	4,590	900	(8,581)	829,540
Zakat expense	-	(2,642)	(2,329)	-	(160)	-	-	(5,131)
Finance income	(22,376)	(8,577)	(19,312)	(3,465)	(174)	(595)	(350)	(54,849)
Finance costs	100,518	104,785	57,420	51,629	1,977	197	64,058	380,584
Depreciation and amortisation	305,448	166,210	105,611	99,120	2,281	11,578	30,156	720,404
EBITDA*	<u>817,843</u>	<u>409,304</u>	<u>335,745</u>	<u>201,779</u>	<u>8,514</u>	<u>12,080</u>	<u>85,283</u>	<u>1,870,548</u>
Segment assets#	7,110,593	3,547,515	2,613,927	2,129,044	75,589	547,316	315,255	16,339,239
Segment liabilities#	2,980,330	2,218,237	1,106,219	1,621,198	49,968	131,815	1,662,310	9,770,077
Additions to non-current assets^	491,963	247,787	42,184	74,575	3,237	26,376	6,729	892,851

* EBITDA – Earnings/(Loss) before interest, tax, depreciation and amortisation

Segment assets and liabilities are measured consistently with the financial statements. Included in segment assets for "Others" segment are investments in joint ventures and investment in an associate

^ The amounts of additions to non-current assets other than financial instruments and deferred tax assets

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35 SEGMENTAL INFORMATION (CONTINUED)

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Total RM'000
<u>31.12.2023</u>								
Results								
Revenue:								
Revenue	1,603,688	791,794	728,117	570,819	18,358	144,827	104,683	3,962,286
Inter segment	(403)	-	-	-	-	(745)	(98)	(1,246)
External	<u>1,603,285</u>	<u>791,794</u>	<u>728,117</u>	<u>570,819</u>	<u>18,358</u>	<u>144,082</u>	<u>104,585</u>	<u>3,961,040</u>
Profit/(Loss) before zakat and taxation	430,830	143,669	333,187	70,702	5,410	(725)	(37,119)	945,954
Zakat expense	-	(316)	(1,417)	-	(112)	-	-	(1,845)
Finance income	(36,310)	(8,777)	(23,800)	(6,341)	(474)	(1,070)	(765)	(77,537)
Finance costs	101,202	113,631	58,569	65,592	2,189	1,138	49,918	392,239
Depreciation and amortisation	305,129	149,496	100,034	86,466	2,921	12,522	36,088	692,656
EBITDA*	<u>800,851</u>	<u>397,703</u>	<u>466,573</u>	<u>216,419</u>	<u>9,934</u>	<u>11,865</u>	<u>48,122</u>	<u>1,951,467</u>
Segment assets#	7,109,458	3,217,250	1,595,128	2,092,463	80,254	538,605	619,844	15,253,002
Segment liabilities#	2,878,935	2,240,630	1,345,341	1,534,354	51,364	127,294	1,296,243	9,474,161
Additions to non-current assets^	283,784	269,956	62,707	69,812	928	35,469	47,467	770,123

* EBITDA – Earnings/(Loss) before interest, tax, depreciation and amortisation

Segment assets and liabilities are measured consistently with the financial statements. Included in segment assets for "Others" segment are investments in joint ventures and investment in an associate

^ The amounts of additions to non-current assets other than financial instruments and deferred tax assets

13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35 SEGMENTAL INFORMATION (CONTINUED)

	PTP RM'000	NMB RM'000	JPB RM'000	PPSB RM'000	TBP RM'000	KNBG RM'000	Others RM'000	Total RM'000
<u>31.12.2024</u>								
Results								
Revenue:								
Revenue	1,873,006	967,129	843,677	517,724	19,048	27,379	110,721	4,358,684
Inter segment	(2,077)	-	-	-	-	-	(100)	(2,177)
External	<u>1,870,929</u>	<u>967,129</u>	<u>843,677</u>	<u>517,724</u>	<u>19,048</u>	<u>27,379</u>	<u>110,621</u>	<u>4,356,507</u>
Profit/(Loss) before zakat and taxation	524,081	168,935	261,083	71,165	5,266	(724)	(39,133)	990,673
Zakat expense	-	(1,640)	(2,397)	-	(135)	-	(255)	(4,427)
Finance income	(41,512)	(6,938)	(11,464)	(7,664)	(621)	(57)	(25)	(68,281)
Finance costs	98,760	111,929	58,999	68,237	2,521	159	49,758	390,363
Depreciation and amortisation	305,248	171,890	114,973	92,935	2,029	2,278	25,503	714,856
EBITDA*	<u>886,577</u>	<u>444,176</u>	<u>421,194</u>	<u>224,673</u>	<u>9,060</u>	<u>1,656</u>	<u>35,848</u>	<u>2,023,184</u>
Segment assets#	7,325,106	3,327,304	1,749,117	2,178,693	95,882	-	686,274	15,362,376
Segment liabilities#	2,995,313	2,211,355	1,484,490	1,591,423	63,649	-	1,215,421	9,561,651
Additions to non-current assets^	598,431	213,076	273,971	101,976	15,326	3,034	10,234	1,216,048

* EBITDA – Earnings/(Loss) before interest, tax, depreciation and amortisation

Segment assets and liabilities are measured consistently with the financial statements. Included in segment assets for "Others" segment are investments in joint ventures and investment in an associate

^ The amounts of additions to non-current assets other than financial instruments and deferred tax assets

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**36 COMMITMENTS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Capital expenditure</u>			
Approved and contracted for	<u>710,410</u>	<u>730,799</u>	<u>1,540,932</u>

37 RELATED PARTY DISCLOSURES

- (a) In addition to the transactions detailed elsewhere in the financial statements, the following are significant transactions between the Group and related parties that took place at terms agreed between the parties during the financial year:

	<u>Financial year ended</u>		
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Port charges and office rental charged to related companies of MMC Corporation Berhad	334	20	1,250
Secondment cost and sundry expenses charged by related companies of MMC Corporation Berhad	2,552	1,438	-
Engineering related works by related companies of MMC Corporation Berhad	145,358	98,274	186,931
Revenue received/receivable from related companies of DRB-Hicom Berhad ("DRB")*	(8,743)	(12,833)	(14,930)
Inter-terminal transfer services provided by a related company of DRB*	954	3,941	5,102
Insurance services provided by a related company of Tradewinds Corporation Berhad*	8,169	20,974	28,800
Intercompany debt restructuring with immediate holding company (Note 20(d))	-	433,740	-
Intercompany debt restructuring with a related company (Note 20(d))	-	649,282	-
Provision of port services with APM Terminals B.V. and its affiliates**			
- Revenue received/receivable	(957,134)	(985,509)	(1,262,854)
- Trade receivables balances	114,331	152,045	177,594

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**37 RELATED PARTY DISCLOSURES (CONTINUED)**

- (a) In addition to the transactions detailed elsewhere in the financial statements, the following are significant transactions between the Group and related parties that took place at terms agreed between the parties during the financial year: (continued)

	Financial year ended		
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Financial services provided by subsidiary of DRB*:			
- Net increase/(decrease) in deposits & other investments	329,292	(212,221)	370,450
- Deposits & Other investments balances	1,432,476	1,207,091	1,577,631
- Borrowings balances	11,705	11,504	11,537
Net interest charges from immediate holding company	7,275	-	-

* DRB and Tradewinds Corporation Berhad are related parties to the Group by virtue of a common major shareholder who has control over the reporting entities.

** APM Terminals B.V. and its affiliates are related parties to the Group by virtue of APM Terminals B.V. being a corporate shareholder of a material subsidiary to the Group.

- (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 Director of that entity.

The remuneration of Directors and other members of key management during the year was as follows:

	Financial year ended		
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Salary and other emoluments	28,671	29,921	34,058
Defined contribution plan	2,255	2,914	3,245
	<u>30,926</u>	<u>32,835</u>	<u>37,303</u>
Directors' remuneration	<u>249</u>	<u>235</u>	<u>233</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT**Financial risks management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and hedging activities and liquidity risk.

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) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For cash and bank balances, the Group minimise credit risk by dealing exclusively with high credit rating financial institutions.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Credit risk concentration profile

At 31 December 2024, the Group has a concentration of credit risk in the form of trade receivables due from a major international shipping line customer, representing approximately 37% (31.12.2023: 29%, 31.12.2022: 25%) of the total trade receivables of the Group. The maximum exposure to credit risk for the Group is represented by the carrying amount of each financial asset.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(a) Credit risk (continued)**Measurement of expected credit loss ("ECL") – Simplified approach

The Group applies the MFRS 9 simplified approach in measuring expected credit loss which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit loss, trade receivables have been grouped based on shared credit risk characteristics. The expected loss rates are based on 1-year historical credit loss experienced by the Group. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at year end was determined as follows for trade receivables:

31.12.2022	Current	Past due to 3 months	Past due 3 months to 6 months	Past due more than 6 months	Total
Expected loss rate	0.8%	3.9%	29.4%	66.6%	
Gross carrying amount (RM'000)	301,786	82,838	6,597	59,563	450,784
Loss allowance (RM'000)	(2,417)	(3,256)	(1,936)	(39,639)	(47,248)

31.12.2023	Current	Past due to 3 months	Past due 3 months to 6 months	Past due more than 6 months	Total
Expected loss rate	1.1%	2.0%	44.9%	66.1%	
Gross carrying amount (RM'000)	324,253	117,300	14,421	64,240	520,214
Loss allowance (RM'000)	(3,622)	(2,358)	(6,479)	(42,442)	(54,901)

31.12.2024	Current	Past due to 3 months	Past due 3 months to 6 months	Past due more than 6 months	Total
Expected loss rate	0.1%	0.8%	31.3%	89.5%	
Gross carrying amount (RM'000)	323,449	126,279	4,843	22,461	477,032
Loss allowance (RM'000)	(357)	(957)	(1,517)	(20,103)	(22,934)

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(a) Credit risk (continued)**

Other financial assets include other receivables, finance lease receivables, amount due from ultimate holding company, immediate holding company, associate and related companies. The loss allowance was determined based on the following:

Measurement of ECL – General 3-stage approach

The Group considers the probability of default upon initial recognition of an asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forwarding-looking information.

The following indicators are incorporated:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower
- macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL.

Other receivables and finance lease receivables

Other receivables represent deposits and sundry receivables and are non-interest-bearing. Loss allowance is assessed for other receivables and finance lease receivables individually. The Group has provided an allowance of RM5,354,000 (31.12.2023: RM10,936,000, 31.12.2022: RM10,354,000) for impairment of its other receivables that are not considered recoverable.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(a) Credit risk (continued)**Amount due from associate

Amount due from associate is unsecured, non-interest-bearing and repayable on demand. The Group monitors the results of the associate regularly. As at 31 December 2024, the Group has no allowance (31.12.2023: RM2,252,000, 31.12.2022: RM2,252,000) for impairment of amount due from associate that are not considered recoverable.

Amounts due from immediate holding company and related companies

Loss allowance is assessed for amounts due from immediate holding company and related companies individually, taking into considerations of the financial position and plans in place for the respective parties.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting financial obligations due to shortage of funds. The exposures to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's liabilities at the reporting date based on contractual undiscounted repayment obligations.

Analysis of financial instruments by remaining contractual maturities

	<u>On demand</u>	<u>Within</u>	<u>One to</u>	<u>Over</u>	<u>Total</u>
	<u>RM'000</u>	<u>one year</u>	<u>five years</u>	<u>five years</u>	<u>RM'000</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	
<u>31.12.2022</u>					
Trade and other payables (excluding statutory obligations)	45,479	844,701	6,299	-	896,479
Borrowings	-	320,442	3,056,548	3,128,952	6,505,942
Concession liabilities	-	225,937	603,252	4,778,891	5,608,080
Lease liabilities	-	87,829	131,063	110,000	328,892
Total undiscounted financial liabilities	<u>45,479</u>	<u>1,478,909</u>	<u>3,797,162</u>	<u>8,017,843</u>	<u>13,339,393</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(b) Liquidity risk (continued)**

	<u>On demand</u> RM'000	<u>Within one year</u> RM'000	<u>One to five years</u> RM'000	<u>Over five years</u> RM'000	<u>Total</u> RM'000
<u>31.12.2023</u>					
Trade and other payables (excluding statutory obligations)	46,606	804,877	10,579	8,221	870,283
Borrowings	-	521,092	2,700,252	2,967,671	6,189,015
Concession liabilities	-	170,714	638,633	4,740,376	5,549,723
Lease liabilities	-	69,788	69,498	107,950	247,236
Total undiscounted financial liabilities	<u>46,606</u>	<u>1,566,471</u>	<u>3,418,962</u>	<u>7,824,218</u>	<u>12,856,257</u>
<u>31.12.2024</u>					
Trade and other payables (excluding statutory obligations)	44,740	627,441	9,089	-	681,270
Borrowings	-	1,069,115	3,139,245	2,111,091	6,319,451
Concession liabilities	-	148,561	679,209	4,559,885	5,387,655
Lease liabilities	-	89,887	186,563	344,886	621,336
Total undiscounted financial liabilities	<u>44,740</u>	<u>1,935,004</u>	<u>4,014,106</u>	<u>7,015,862</u>	<u>13,009,712</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(c) Interest rate risk**

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

The Group's exposure to interest rate risk arises primarily from their borrowings, as disclosed in Note 27. The Group's investment in financial assets are mainly short term in nature and mostly placed in financial deposits.

Sensitivity analysis for interest rate risk

A 0.25% increase/decrease of the weighted average rate of the Group's borrowings with all other variables held constant, would result in a decrease/increase of RM0.9 million (31.12.2023: RM0.1 million; 31.12.2022: RM0.1 million) to the profit before taxation.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates arise primarily from the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency).

The foreign exchange exposures in transactional currencies other than functional currency of the Group are kept to an acceptable level.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	31.12.2022 RM'000 Audited	31.12.2023 RM'000 Audited	31.12.2024 RM'000 Audited
<u>Trade receivables</u>			
USD	48	58	-
Others	289	289	-
	<u>337</u>	<u>347</u>	<u>-</u>
<u>Trade payables</u>			
USD	834	451	3,948
Others	27	34	1,468
	<u>861</u>	<u>485</u>	<u>5,416</u>

Sensitivity analysis for foreign currency risk

A 10% strengthening/weakening of the USD currency over RM, with all other variables held constant, would result in a decrease/increase of RM366,000 (31.12.2023: RM45,000; 31.12.2022: RM83,000) to the profit before taxation.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**38 FINANCIAL RISK MANAGEMENT (CONTINUED)**Financial risks management objectives and policies (continued)**(e) Hedging activities and liquidity risk**

The following are cash flow hedge and the liquidity risk of the derivative assets and liabilities.

Cash flow hedge for asset acquisition

The Group has entered into forward exchange contracts to limit their exposure on foreign currency exchange risk in relation to the payments to the asset suppliers.

The hedged firm commitments denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as of year end relates to purchases of assets and will be included in the carrying amount of the assets acquired.

The following table indicates the periods in which the cash inflows/(outflows) associated with the forward exchange contracts are expected to occur:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
<u>Group</u>			
Forward exchange contracts			
- inflows	529,891	794,211	1,099,403
- outflows	(522,319)	(806,260)	(1,120,262)

All the cash inflows/(outflows) associated with the forward exchange contracts are expected to occur within 1 year.

39 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is the amount at which the instrument could be exchanged for or settled between knowledgeable parties at an arm's length transaction, other than a forced or liquidation sale.

(a) Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**39 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)****(b) Determination of fair value**

Except as disclosed below, the carrying amounts of financial assets and liabilities are reasonable approximation of fair values due to their short term nature with a maturity of less than one year at the reporting date and frequent repricing of these financial instruments.

	<u>31.12.2022</u>		<u>31.12.2023</u>		<u>Group 31.12.2024</u>	
	<u>Fair value</u>	<u>Carrying value</u>	<u>Fair value</u>	<u>Carrying value</u>	<u>Fair value</u>	<u>Carrying value</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets:						
- trade and other receivables (non-current)	1,025,155	1,025,155	157,133	157,133	4,556	4,676
Financial liabilities:						
- trade and other payables (non-current)	7,786	7,786	9,324	9,324	9,089	9,089
- borrowings	5,534,416	5,523,408	5,429,096	5,375,659	5,373,135	5,365,050

The fair value of the financial assets and liabilities are determined based on the Level 2 fair value measurement hierarchy.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**40 CAPITAL MANAGEMENT**

The primary objectives of the Group's capital management are to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their businesses and maximising return to shareholders. The Group's approach in managing capital is based on defined guidelines that are approved by the Board.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, borrowings, lease liabilities, less cash and bank balances and other investments. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

There were no changes in the Group's approach to capital management during the financial years.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000
	Audited	Audited	Audited
Borrowings (Note 27)	5,523,408	5,375,659	5,365,050
Lease liabilities (Note 14(b))	241,690	173,792	422,479
Concession liabilities (Note 28)	2,599,824	2,599,964	2,595,015
Less: Cash and bank balances (Note 22)	(442,428)	(426,700)	(347,297)
Other investments (Note 21)	(1,378,075)	(1,191,751)	(1,527,446)
Net debt	<u>6,544,419</u>	<u>6,530,964</u>	<u>6,507,801</u>
Total equity	<u>6,569,162</u>	<u>5,778,841</u>	<u>5,800,725</u>
Total capital	<u>13,113,581</u>	<u>12,309,805</u>	<u>12,308,526</u>
Gearing ratio	<u>50%</u>	<u>53%</u>	<u>53%</u>

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**41 SIGNIFICANT EVENTS****(a) Acquisition of a joint venture**

On 23 September 2021, Klang Port Management Sdn. Bhd. ("KPM"), a wholly-owned subsidiary of Northport (Malaysia) Bhd, which in turn is a 99.1% subsidiary of the Company, completed the acquisition of 184,856,447 ordinary shares in Port Klang Cruise Terminal Sdn. Bhd. ("PKCT") (formerly known as Boustead Cruise Centre Sdn. Bhd.) representing 50.0% ordinary equity interest from Boustead Holdings Berhad ("BHB"), for a purchase consideration of RM115.0 million. Upon completion of the acquisition, PKCT has become a joint venture entity of KPM.

The Group has adjusted the fair values of certain identifiable assets and liabilities. Correspondently, the Group had recognised a negative goodwill of RM29.9 million in the share of results of joint ventures in the profit or loss.

The following summarises the adjustments made:

	<u>Fair value</u> RM'000
Property, plant and equipment	125,000
Right-of-use assets	115,000
Investment properties	65,999
Deposits, cash and bank	1,142
Other assets	4,081
Other liabilities	(21,507)
Total identifiable net assets on acquisition date	<u>289,715</u>
Cash consideration paid during the financial year	115,000
Less: Share of 50% fair value of identifiable net assets	<u>(144,858)</u>
Negative goodwill	<u>(29,858)</u>

(b) Acquisition of a subsidiary

On 24 December 2022, the Company executed a Share Sale and Purchase Agreement ("SSPA") with Star Cruises Terminal Sdn Bhd for the acquisition of the entire issued and paid-up share capital of Langkawi Cruise Terminal Sdn. Bhd. ("LCT") (formerly known as Langkawi Cruise Centre Sdn. Bhd.), being the operator of Star Cruises Jetty Langkawi ("Jetty") for a Purchase Price of RM37.5 million.

On 7 February 2023, the acquisition was deemed completed upon the full payment of the purchase price on the same date, pursuant to the terms and conditions stipulated in the SSPA. Upon completion of the acquisition, LCT became a subsidiary of the Company.

The acquisition of LCT is recognised as an asset acquisition based on the requirements of MFRS 3 "Business Combination". As such, no Purchase Price Allocation ("PPA") is required.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**41 SIGNIFICANT EVENTS (CONTINUED)****(c) Disposal of subsidiaries****2022**

On 29 April 2022, JPB, a wholly-owned subsidiary of the Company, disposed its interest in SWW, a wholly-owned subsidiary of JPB, to MMC Land, a related company of the Group for a total consideration of RM649,282,000.

The net assets of SWW at the date of disposal were as follows:

	<u>At date of disposal</u> RM'000
Property, plant and equipment	16
Investment properties	254,949
Inventories	1,214,968
Receivables, deposits and prepayments	35
Cash and cash equivalents	3,657
Amount due to related companies	(591,322)
Payables	(59,457)
Land lease received in advance	(76,965)
Provision for tax	(23,335)
Deferred tax liabilities	(93,903)
Net assets disposed of	628,643
Deficit on disposal at Group	(40,568)
Total disposal consideration, net of discounting effect of consideration receivable	<u>588,075</u>

A deficit on disposal of SWW of RM40,568,000, being the difference between the proceeds of disposal and the carrying amount of the subsidiary's net assets is recognised in equity, as the difference is akin to the nature of distribution to immediate holding company, MMC Corporation Berhad, as the transaction is part of the restructuring amongst commonly-controlled entities under MMC Corporation Berhad.

The fair value of the consideration is determined to be RM588,075,000, assessed based on the deferred payment terms.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**41 SIGNIFICANT EVENTS (CONTINUED)****(c) Disposal of a subsidiaries (continued)****2024**

On 29 February 2024, NCB Holdings Bhd. disposed 100% equity interest in Kontena Nasional Berhad ("KNB") to MMC Logistics Holdings Sdn. Bhd. ("MMC Logistics") at a total consideration of RM307,034,291 with settlement on a deferred basis by 31 December 2029. On 18 October 2024, the consideration has been subsequently settled by MMC Logistics.

The net assets of KNB at the date of disposal were as follows:

	<u>At date of disposal</u> RM'000
Property, plant and equipment	140,086
Right-of-use assets	280,911
Investment properties	1,727
Intangible assets	1,894
Investment in an associate	13,776
Inventories	5
Receivables	112,159
Cash and cash equivalents	10,010
Tax recoverable	424
Assets classified as held for sale	1,495
Payables	(121,414)
Borrowings	(3,000)
Lease liabilities	(3,323)
Deferred tax liabilities	(8,988)
Net assets disposed of	425,762
Deficit on disposal at Group	(118,728)
Total disposal consideration	307,034
Less: Cash and cash equivalents	(10,010)
Net cash proceeds from disposal of a subsidiary	297,024

A deficit on disposal of KNB of RM118,728,000, being the difference between the proceeds of disposal and the carrying amount of the subsidiary's net assets is recognised in equity as the transaction is part of the restructuring amongst commonly-controlled entities.

13. ACCOUNTANTS' REPORT (Cont'd)**MMC PORT HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**41 SIGNIFICANT EVENTS (CONTINUED)****(d) Selective capital reduction and repayment ("SCR") exercises**

On 24 August 2023, the Company served a letter to the Board of Directors of its 99.16% subsidiary, NCB Holdings Bhd. ("NCB") requesting NCB to undertake a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act, 2016 ("Act") in respect of the remaining 3,959,154 ordinary shares in NCB ("NCB Shares") representing approximately 0.84% equity interest in NCB for RM4.80 per NCB Share or a total capital repayment of RM19.0 million.

On 22 December 2023, NCB announced that the sealed Court Order was lodged with the Registrar of Companies. Accordingly, the resolution for the SCR as confirmed by the Court Order has taken effect on the even date pursuant to subsection 116(6) of the Act.

On 28 December 2023, NCB announced that the settlement of the SCR was effected. Pursuant thereto, the SCR is deemed completed on 28 December 2023. Upon completion of the SCR, NCB has become a wholly-owned subsidiary of the Company.

42 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on [] 2025.

13. ACCOUNTANTS' REPORT (Cont'd)

MMC PORT HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 200601028801 (748557-X)

STATEMENT BY DIRECTORS

We, Tan Sri Che Khalib Mohamad Noh and Johari Abdul Muid, being two of the Directors of MMC Port Holdings Berhad, state that, in the opinion of the Directors, the consolidated financial statements set out on pages 1 and 109 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Prospectus Guidelines issued by the Securities Commission Malaysia for the purposes of the inclusion in the prospectus approved by the Board of Directors of the Company in connection with the initial public offering of the ordinary shares in the Company on the Main Market of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024 and of their financial performance and cash flows for the financial years ended on those dates.

Signed on behalf of the Board of Directors in accordance with their resolution dated [] 2025.

TAN SRI CHE KHALIB MOHAMAD NOH
DIRECTOR

JOHARI ABDUL MUID
DIRECTOR

13. ACCOUNTANTS' REPORT (Cont'd)



DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
Ground Floor, Wisma Budiman
Persiaran Raja Chulan
50200 Kuala Lumpur

[] 2025

PwC/GWF/EK/SAR/PNN

Dear Sirs,

Reporting Accountants' Opinion on the Historical Consolidated Financial Statements contained in the Accountants' Report of MMC Port Holdings Berhad

Our Opinion

We have audited the accompanying historical consolidated financial statements of MMC Port Holdings Berhad (the "Company") and its subsidiaries (the "Group") which comprise the consolidated statements of financial position as at 31 December 2022, 31 December 2023 and 31 December 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the financial years ended 31 December 2022, 2023 and 2024, and notes to the consolidated financial statements, including material accounting policy information (together, the "Historical Consolidated Financial Statements"), as set out on pages 1 to 109. The Historical Consolidated Financial Statements has been prepared for the purposes of submission to the Securities Commission Malaysia ("SC") in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

In our opinion, the accompanying Historical Consolidated Financial Statements gives a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024, and of its financial performance and cash flows for each of the financial years ended 31 December 2022, 2023 and 2024 in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P O Box 10192, 50706 Kuala Lumpur Malaysia
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13. ACCOUNTANTS' REPORT (Cont'd)

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/GWF/EK/SAR/PNN
[] 2025

Reporting Accountants' Opinion on the Historical Consolidated Financial Statements contained in the Accountants' Report of MMC Port Holdings Berhad (continued)

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 "*Reporting Accountants' Responsibilities for the Audit of the Historical Consolidated Financial Statements*" section of our opinion. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' 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.

Directors' Responsibilities for the Historical Consolidated Financial Statements

The directors of the Company (the "Directors") are responsible for the preparation of the consolidated financial statements for the financial years ended 31 December 2022, 2023 and 2024 that gives a true and fair view in accordance with MFRS and IFRS and in accordance with the Prospectus Guidelines issued by SC ("the Prospectus Guidelines"). The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the Historical Consolidated Financial Statements that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Consolidated Financial Statements of the Company, the Directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

13. ACCOUNTANTS' REPORT (Cont'd)



DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/GWF/EK/SAR/PNN
[] 2025

Reporting Accountants' Opinion on the Historical Consolidated Financial Statements contained in the Accountants' Report of MMC Port Holdings Berhad (continued)

Reporting Accountants' Responsibilities for the Audit of the Historical Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Historical Consolidated Financial Statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 Historical Consolidated Financial Statements.

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 Historical Consolidated Financial Statements 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 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our opinion to the related disclosures in the Historical Consolidated Financial Statements 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 opinion. However, future events or conditions may cause the Group to cease to continue as a going concern.

13. ACCOUNTANTS' REPORT (Cont'd)



DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
MMC Port Holdings Berhad
PwC/GWF/EK/SAR/PNN
[] 2025

Reporting Accountants' Opinion on the Historical Consolidated Financial Statements contained in the Accountants' Report of MMC Port Holdings Berhad (continued)

Reporting Accountants' Responsibilities for the Audit of the Historical Consolidated Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the Historical Consolidated Financial Statements of the Company, including the disclosures, and whether the Historical Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Historical Consolidated Financial Statements of the Company. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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.

Restriction on Distribution and Use

This opinion is issued for the sole purpose of submission to SC in connection with the IPO and Listing and should not be used or relied upon for any other purpose. Accordingly, we will not accept any liability or responsibility to any other party to whom our opinion is shown or into whose hands it may come.

Yours faithfully,

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur

GAN WEE FONG
03253/01/2027 J
Chartered Accountant

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL

- (i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than six months after the date of issue of this Prospectus.
- (ii) As at the LPD, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Save as disclosed in Section 6.1.8 of this Prospectus, our Company has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within the Financial Years Under Review and up to the LPD.
- (iv) As at the date of this Prospectus, save for the Offer Shares reserved for subscription by the Eligible Persons as disclosed in Section 4.2.4 of this Prospectus, there is currently no scheme involving our employees and directors in the share capital of our Company or any of our subsidiaries.
- (v) We have not agreed, conditionally or unconditionally, to put the share capital of our Company or any of our subsidiaries under option.
- (vi) Save as disclosed in Sections 6.3.10, 6.3.11 and 6.3.16 of this Prospectus, as at the date of this Prospectus, neither we nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital.
- (vii) Save as disclosed in Sections 2.2 and 12.5 of this Prospectus, and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of our Company or our subsidiaries or upon the declaration or payment of any dividend or distribution thereon.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are reproduced from our Constitution and are qualified in its entirety by reference to our Constitution and by applicable law. The words, terms and expressions appearing in the following provisions will bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires.

Words	Meaning
"Act"	means the Companies Act 2016 and any statutory modification, amendment or re-enactment thereof and any other legislation for the time being in force made thereunder and any written law for the time being in force concerning the companies and affecting the Company.
"Central Depositories Act"	means the Securities Industry (Central Depositories) Act 1991, as it may be amended, modified or reenacted from time to time.
"Constitution"	means the Constitution as originally framed or as altered from time to time by Special Resolution.
"Company"	means MMC Port Holdings Berhad.
"Directors" or "Board"	means the Board of Directors of the Company for the time being and where the context permits or requires, shall mean the Directors whose number is not less than the required quorum acting as a Board of Directors.

14. ADDITIONAL INFORMATION (Cont'd)

Words	Meaning
"Listing Requirements"	means the Main Market Listing Requirements of Bursa Malaysia Securities Berhad including any amendments thereof that may be made from time to time.
"Member"	means any person/persons for the time being holding shares in the Company and whose names appear in the Register of Members (except the Bursa Malaysia Depository Nominees Sdn Bhd), including a Depositor who shall be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excludes the Depository in its capacity as a bare trustee.
"Ordinary Resolution"	means a resolution which has been passed by a simple majority of more than half of such Members who are entitled to vote and do vote in person or where proxies are allowed, by proxy.
"Register of Members"	means the register of members to be kept pursuant to the Act.
"Rules"	means the Rules of the Depository.
"Special Resolution"	means a resolution of which a notice of not less than 21 days has been given and which has been passed by a majority of not less than seventy-five per centum (75.0%) of such Members who are entitled to vote and do vote in person, or where proxies are allowed, by proxy.
"Stock Exchange" or "Exchange"	means Bursa Malaysia Securities Berhad or such other name by which it may be known from time to time and/or such other stock exchanges on which the Company's shares are quoted.

14.2.1 Transfer of shares**Clause 9.1 - Transfer of securities**

"Subject to the Act, the Central Depositories Act and the Rules and to this Constitution, any Member may transfer all or any of his shares by instrument in writing in any usual or common form as approved by the Stock Exchange upon which the Company is listed."

Clause 9.7 – Renunciation of shares

"The Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person."

14.2.2 Remuneration of Directors**Clause 19.1 and 19.2 – Remuneration of Directors**

"19.1 The Directors shall be paid by way of fees and other benefits for their services and such sums shall from time to time be determined by the Company and subject to annual shareholder approval at a general meeting, and shall be divided among the Directors in such proportions and manner as the Directors may determine. Provided always that:

- (i) fees payable to non-executive Directors shall be by a fixed sum and not by a commission on or percentage of profits or turnover;
- (ii) salaries payable to executive Director(s) may not include a commission on or percentage of turnover;

14. ADDITIONAL INFORMATION (Cont'd)

- (iii) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting;
 - (iv) any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
 - (v) if any Director, being willing and having been called upon to do so, shall render or perform extra or special services of any kind, including services on any Committee established by the Board, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Board may think fit for expenses, and also such remuneration by way of salary, allowances and otherwise as the Board may think fit, either as a fixed sum or otherwise, and such remuneration may, as the Board shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.
- 19.2 The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company, including their travelling and other expenses incurred in attending Board meetings of the Company within Malaysia.”

14.2.3 Voting and borrowing power of Directors**Clause 22 – The Board’s borrowing powers**

- “(1) The Directors may, from time to time, at their discretion raise or borrow such sum of moneys or obtain credit facilities as they think proper for the purpose of the Company. The Directors may raise or secure payment of such moneys or facilities upon such terms and conditions as they think fit and in particular by the issue of Debenture or Debenture Stock of the Company, charge upon all or any part of property of the Company including uncalled capital or by means of charges, mortgages, hypothecation and bonds as the Directors shall think fit PROVIDED always that the Directors shall not borrow any money or mortgage or hypothecate or charge any of the Company's or the subsidiaries' undertaking, property, or any uncalled capital or issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (2) Moneys received on deposit or current account by the Group in the ordinary course of business shall not be taken into account in calculating the amount for the time being remaining undischarged of moneys borrowed or raised by any of such companies for the purposes of paragraph (1) of this Article.
- (3) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure that the aggregate amount for the time being remaining undischarged of moneys borrowed by the Group (excluding amounts outstanding on inter-group accounts) shall not exceed the limit imposed by Article 22(1) without the previous sanction provided for in this Article. For the purposes of this Article, any loan capital issued by the Company or any subsidiary and for the time being outstanding shall be deemed to be and shall be taken into account as moneys borrowed notwithstanding that the same may have been issued in whole or in part for a consideration other than cash.

14. ADDITIONAL INFORMATION (Cont'd)

- (4) The price of any shares issued by any company and the principal amount of any moneys borrowed otherwise than by the Group (including any premium payable on final repayment) the repayment whereof is guaranteed by the Company or any subsidiary company shall be deemed to be and shall be taken into account as moneys borrowed by the guarantor company.
- (5) No person dealing with the Group shall be concerned to see or enquire whether the limit hereinbefore provided is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffective unless at the time when the debt was incurred or security given, the lender or the recipient of the security has expressed notice that the said limit had been or was thereby exceeded.
- (6) Moneys borrowed for the purpose of repaying (with or without premium) the whole or any part of any outstanding indebtedness and applied to that purpose within four (4) months from the borrowing shall, pending such application, be deemed not to be borrowed moneys."

Clause 23.2 – Disclosure of interest in contracts, proposed contracts

"No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into on behalf of the Company in which any Director is in any way directly or indirectly interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relationship thereby established, but if such interest is regarded as being a material interest, the nature of his interest must be declared by him at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Board held after he became so interested, and in case where the Director becomes interested in a contract or arrangement after it is made, then at the first meeting of the Board held after he becomes so interested, unless the interest is one that need not be disclosed under Section 221 of the Act."

Clause 17.7 – Voting rights of Members

"Subject to any rights or restrictions for the time being attached to any class or classes of shares, at meetings of Members or classes of Members, every Member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each share he holds, and on a resolution to be decided on a show of hands, each holder of an ordinary Share, and each holder of a preference Share who has a right to vote, shall be entitled to one (1) vote and on a poll, every such member present in person or by proxy or attorney or representative for a corporation shall have one (1) vote for each Share he holds."

Clause 24.5 – Chairman to have a casting vote

"Subject to this Constitution, questions arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors and provided always that in the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. However, in the case of an equality of votes and where two (2) Directors form a quorum, the Chairman of a meeting at which such a quorum is present or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote."

14. ADDITIONAL INFORMATION (Cont'd)**14.2.4 Changes in capital and rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights****Clause 5 – Variation of rights****“5.1 Modification of class rights**

If at any time the share capital is divided into different classes of shares, the rights and privileges attached to any class, subject to Section 91 of the Act (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of seventy-five per centum (75%) of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the class provided that, if any such separate general meeting shall be adjourned by reason of there being no quorum present, and at the adjourned meeting, a quorum shall not be present within half an hour (1/2 hour) from the time appointed for such adjourned meeting, those holders of the shares of the class in question who are present in person or by proxy shall be a quorum. Any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply.

5.3 Alteration of rights by issuance of new shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.”

Clause 4.2 – Allotment of shares

“Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to Section 75 of the Act and the Listing Requirements and conditions, restrictions and limitations expressed in this Constitution and to the provisions of any resolution of the Company, the Directors shall have the power to issue and, who may allot shares, grant options over shares and grant rights to subscribe to shares, or otherwise dispose of such shares to such persons, on such terms and conditions and at such times as the Directors may determine, but the Directors in making any issue of shares shall comply with the following conditions:

- (i) in the case of shares offered to the public for subscription, the amount payable on application on each share shall not be less than five per centum (5%) of the issue price of the share;
- (ii) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution or the resolution creating the same;
- (iii) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person without the prior approval of the Members of the Company in the general meeting; and

14. ADDITIONAL INFORMATION (Cont'd)

- (iv) no Director shall participate in an issue of shares to employees of the Company unless the Members in general meeting have approved the specific allotment to be made to such Director.”

Clause 15 – Alteration of capital**“15.1 Power to alter capital**

The Company may, by Ordinary Resolution:

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) sub-divide its shares or any part thereof into shares of smaller amount than is fixed by this Constitution, so however that in the sub-division, the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (iii) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

15.2 Power to reduce capital

Subject to Sections 116, 117 and any other relevant provisions of the Act, the Company may by Special Resolution reduce its share capital in any manner permitted or authorised under and in compliance with the applicable laws.”

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance and such Shares may not be traded on Bursa Securities.

Dealing in Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

14. ADDITIONAL INFORMATION (Cont'd)**14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION**

As at the LPD, we do not have any foreign subsidiary or associate and are not subject to any governmental laws, decrees, regulations or other requirements which may affect the repatriation of capital and remittance of profits by or to our Group.

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single-tier dividend are not taxable. Further, the Government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gains tax arising from the disposal of listed shares.

With effect from year of assessment 2025, annual dividend income exceeding RM100,000 received by individual shareholders, whether resident or non-resident, including those holding shares through nominees, with certain exemptions, are subject to a 2.0% Malaysian income tax on the chargeable dividend income.

14.6 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts that are not in the ordinary course of our Group's business during the Financial Years Under Review and up to the date of this Prospectus:

14.6.1 Share sale letter dated 15 April 2022 in respect of the disposal of 100.0% equity interest in Seaport Worldwide

On 15 April 2022, JPB entered into a share sale letter with MMC Land for the disposal of 50,000,000 ordinary shares and 268,322,939 RCPS representing 100.0% equity interest in Seaport Worldwide, for a cash consideration of RM649.3 million.

The disposal was completed on 29 April 2022. As at the LPD, the said consideration has been paid in full.

14.6.2 Share sale and purchase agreement dated 24 December 2022 in respect of the purchase of 100.0% equity interest in Langkawi CT

On 24 December 2022, our Company entered into a share sale and purchase agreement with Star Cruises Terminal Sdn Bhd for the purchase of 45,000,002 class A ordinary shares in Langkawi CT by our Company, for a cash consideration of RM37.5 million.

The acquisition was completed on 7 February 2023, resulting in Langkawi CT becoming a wholly-owned subsidiary of our Company. As at the LPD, the said consideration has been paid in full.

14.6.3 Share sale letter dated 29 February 2024 in respect of the disposal of 100.0% equity interest in Kontena Nasional

On 29 February 2024, NCB Holdings entered into a share sale letter with MMC Logistics Holdings Sdn Bhd for the disposal of 28,711,746 ordinary shares and 145,514,015 RCPS representing 100.0% equity interest in Kontena Nasional for a cash consideration of RM307.0 million, with settlement on a deferred basis by 31 December 2029.

The disposal was completed on 29 February 2024. As at the LPD, the said consideration has been paid in full.

14. ADDITIONAL INFORMATION (Cont'd)**14.6.4 Retail Underwriting Agreement dated [●]**

[●]

14.6.5 Lock-up letter dated [●] in relation to our IPO and our Listing

[●]

14.6.6 Master Cornerstone Placement Agreement dated [●]

[●]

14.7 MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any governmental proceedings pursuant to the Government Proceedings Act 1956, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

14.8 CONSENTS

The written consents of the Principal Adviser, Joint Global Coordinators, Joint Bookrunners, Sole Managing Underwriter, Joint Underwriters, Legal Advisers, Share Registrar, Issuing House and Company Secretaries as listed in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Reporting Accountants for the inclusion of its name, its opinion on the consolidated financial statements of the Company for the Financial Years Under Review contained in the Accountants' Report of the Company and its assurance report on the Pro Forma Consolidated Statements of Financial Position of the Company and all references thereto in the form and context in which they are included in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of the IMR for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of six months from the date of this Prospectus:

- (i) our Constitution;
- (ii) our material contracts as referred to in Section 14.6 of this Prospectus;
- (iii) our audited consolidated financial statements for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024;
- (iv) audited financial statements of each of our subsidiaries for the FYE 31 December 2022, FYE 31 December 2023 and FYE 31 December 2024;

14. ADDITIONAL INFORMATION (Cont'd)

- (v) Reporting Accountants' Letter on the Pro Forma Consolidated Statements of Financial Position as included in Section 12.4 of this Prospectus;
- (vi) Accountants' Report as included in Section 13 of this Prospectus;
- (vii) IMR Report as included in Section 8 of this Prospectus; and
- (viii) letters of consent referred to in Section 14.8 of this Prospectus.

14.10 RESPONSIBILITY STATEMENTS

Our Directors, our Promoters and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

CIMB, being the Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering, and the Sole Managing Underwriter and Joint Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR THE OFFER SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used in this Section shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10:00 A.M., [●].

CLOSING OF THE APPLICATION PERIOD: 5:00 P.M., [●].

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and make an announcement on the website of Bursa Securities.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATIONS

15.2.1 Application of the Offer Shares under the Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed. You agree to be bound by our Constitution.

<u>Type of Application and category of investors</u>	<u>Application method</u>
Applications by Eligible Persons	Pink Application Form only
Applications by the Malaysian Public	
(i) Individuals	• White Application Form; or • Electronic Share Application; or • Internet Share Application
(ii) Non-individuals	White Application Form only

15.2.2 Application of the Offer Shares under the Institutional Offering

Institutional and selected who have been allocated the Offer Shares under the Institutional Offering will be contacted directly by the Joint Global Coordinators and Joint Bookrunners and should follow the instructions as communicated by the Joint Global Coordinators and Joint Bookrunners.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

15.3 ELIGIBILITY

15.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the list of ADAs accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 OFFER SHARES OR MULTIPLES OF 100 OFFER SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

15.3.2 Application by the Malaysian Public

You can only apply for our Offer Shares if you fulfil all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for the Offer Shares; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit the Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.3.3 Application by Eligible Persons**

Our Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation. The applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus.

The Eligible Persons who have made applications using the Pink Application Form may still apply for the Offer Shares allotted to the Malaysian Public using the White Application Form or through the Electronic Share Application or the Internet Share Application.

15.4 PROCEDURES FOR APPLICATION BY WAY OF AN APPLICATION FORM

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM[●] for each Offer Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. [●]**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Method below is relevant for White Form Application Form only.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatched by **ORDINARY POST** in the respective official envelopes provided for each category, to the following address:

MALAYSIAN ISSUING HOUSE SDN BHD
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

Or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor

- (ii) or **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor,

so as to arrive not later than 5:00 p.m. on [●] or by such other time and date as our Directors and the Joint Underwriters may, in their absolute discretion, mutually decide as the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Form or Application monies. Please direct all enquiries in respect of the Application Form to the Issuing House.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Please refer to the detailed procedures and terms and conditions of the Application Forms set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the Issuing House for further enquiries.

15.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for the Offer Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

Please refer to the detailed procedures and terms and conditions of Electronic Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries.

15.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for the Offer Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

Please refer to the detailed procedures and terms and conditions of Internet Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE**

The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject the Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application, Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest) in accordance with Section 15.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor shall it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription for the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating the Offer Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at www.mih.com.my within one business day after the balloting event.

We are required to have a minimum of 25.0% of our Company's Shares to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of the Offer Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in Section 4.2.4 of this Prospectus, any of the abovementioned Offer Shares not applied for will then be subscribed by the Joint Underwriters based on the terms of the Retail Underwriting Agreement.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS**

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

15.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful Applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the National Registration Identity Card or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Application within two Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within two Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the fifth Market Day from the balloting date.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within two Market Days after the final balloting date.

The Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within two Market Days after the receipt of confirmation from the Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) The Offer Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your last address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. As such, the Offer Shares offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.
- (v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to you without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to your address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository, or by crediting into your account with the Electronic Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institutions for applications made via the Internet Share Application, within 10 Market Days from the date of final ballot of application, at your own risk.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.11 ENQUIRIES**

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the queries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +603 7890 4700
Electronic Share Application	The relevant Participating Financial Institutions
Internet Share Application	The relevant Internet Participating Financial Institution or Participating Securities Firms and Authorised Financial Institution

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site on the allotment date, after 3:00 PM. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

Save as disclosed below, as at the LPD, we do not have any patents, trademarks, brand names, technical assistance agreements, franchises and other intellectual property rights which our Group's business or profitability is materially dependent on:

No.	Trademark	Registered owner/ Registration no./ Place of registration	Validity period	Class/ Description of trademark
1.		MMC Ports 2019042668/ Malaysia	Registered until 20 November 2029	Class 39 – Shipping port service (cargo and container handling, storage and transportation); all included in Class 39.
2.		PTPSB 2019048648/ Malaysia	Registered until 26 December 2029	Class 39 – Port services; operation of cargo terminals; operation of port facilities; rental of storage container; rental of warehouses; marine services (berthing, mooring, storage); provision of computerised information relating to the aforesaid services via internet; all included in Class 39.
3.		JPB 07019081/ Malaysia	Registered until 27 September 2027	Class 39 – Logistics services for transport and storage of goods and materials; transport of travellers and goods; transport by land, sea and air; packaging and storage of goods; rental of warehouses; delivery of goods; freight forwarding; transport information services; storage information services; removal services; all included in Class 39.
4.		JPB 96004201/ Malaysia	Registered until 22 April 2033	Class 6 – Alloys of common metal, anchors, anvils, bells: framework of metal for building; reinforcing materials of metal for building; building boards of metal; building materials of metal; buildings panels of metal; buildings fitting of metal for building; cable joints of metal, non-electric; cables of metal, non-electric; chains of metal; horseshoes of metal; locks (other than electric) of metal; nails; railroad ties of metal; rails of metal; railway material of metal; railway points; railway sleepers of metal; railway switches; screws of metal; wire gauze; wire of common metal; wire of common metal alloys (except fuse wire); wire rope; wire stretchers (tension links); all included in Class 6.
5.		JPB 98012866/ Malaysia	Registered until 5 November 2028	Class 39 – Barge transport, canal lock gate operation, cargo handling, cargo unloading, crane unloading, freight brokerage, freight forwarding, freight ship transport, freight transportation, leasing of garage space, marina services, parcel packaging and delivery, rental of warehouse space; all included in Class 39.

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner/ Registration no./ Place of registration	Validity period	Class/ Description of trademark
6.		NMB 2012055190/ Malaysia	Registered until 10 July 2032	Class 39 – Provision of warehousing services and facilities; rental of warehouses; ferry transport services; goods (delivery of -) by road or rail; goods (transport of -) by road or rail; freight services (land -); haulage service (road -); inspection of goods for transportation; cargo handling; re-filling of containers; storage of containers and cargo; electricity supply services; piloting of ships; towing of vessels; and berthing and unberthing of vessels; all included in Class 39.
7.		APSB 2024004272/ Malaysia	Registered until 9 February 2034	Class 39 – Port services (docking services); port services (berthing, mooring, storage); operation of ports and docks; provision of berthing facilities; providing vessel mooring facilities; marine towing services; ship piloting services; transportation logistics; marine transport; transportation and storage services relating to storage logistics, distribution logistics and returns logistics; logistic services consisting of the storage, transportation and delivery of goods; supply chain logistics and reverse logistics services consisting of the storage, transportation and delivery of freight; transport and storage of crude oil, oil products, natural gas, liquefied natural gas and liquefied petroleum gas; transport brokerage; freight brokerage services; freight forwarding; freighting services; freight warehousing; transportation reservation services; booking of transportation; rental of warehouses; delivery of goods; transport of goods; inspection of goods before transportation; container transport services; drum (containers) storage.

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS

As at the LPD, the details of our major certificates, licences, permits and approvals for our operations together with salient conditions imposed and status of compliance are as follows:

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
<u>MMC Ports</u>								
1.	MMC Ports	Kuala Lumpur City Council	DBKL.JPPP/0087 0/07/2019/PR01	Business licence for administrative office	16 July 2025	15 July 2026	(a) The Mayor of Kuala Lumpur reserves the right to impose additional conditions as business control measures from time to time as well as take action based on applicable laws and acts with external departments/agencies related to business activities. (b) To renew the licence every year 60 days before the end of the licence period without notice by the Mayor of Kuala Lumpur. (c) The employees on the premise must be 50.0% Malaysians and 50.0% non-Malaysians with valid working permits.	Complied
2.	MMC Ports	Royal Malaysian Customs Department of Kedah	KE.KB(05)381/01-01 SK4	Approval of a designated landing place for STS operations under Section 30 of the Customs Act 1967	1 January 2025	31 December 2025	(a) The authorised landing place is at the coordinates (05° 50.8000', 100° 12.0833'), (05° 51.2667, 100° 13.2833') and (05° 52.4333', 100° 13.0500'). (b) The goods permitted for unloading/loading are crude oil, marine gas oil, marine diesel oil, marine fuel oil, liquefied natural gas, and liquefied petroleum gas. (c) The STS operation licensee must provide at least 24 hours' notice before conducting STS operations to the Kuala Kedah Station, Alor Setar, Kedah. (d) The licensee must submit all required documents, such as JKED No. 4, Bill of Lading, Ship Cargo Manifest, Voyage Instruction, Petroleum Permit from the Marine Department to the Kuala Kedah Station, Alor Setar, Kedah.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							(e) This authorisation cannot be used by other parties or for other purposes without approval from the state custom director. (f) The customs service fee is RM30 per day or part of the day. If used by another company, the rate is RM50 per day or part of the day. (g) MMC Ports must provide suitable transportation and safety equipment for customs officers while performing their duties. (h) MMC Ports must comply with all provisions under the Customs Act 1967 and its regulations, as well as other relevant laws. (i) The STS operation licensee must submit a bank guarantee of RM5,000 to the Director General of Malaysian Customs as collateral to ensure compliance with all conditions. (j) This approval is non-transferable. (k) An extension may be considered provided that MMC Ports applies at least two months before the approval expiry date. (l) MMC Ports is fully responsible for any undesired incidents that occur during the STS operation. (m) This approval may be revoked at any time without any reason or notice and is subject to the terms issued by local authorities and relevant agencies.	

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
3.	MMC Ports	Marine Department of Malaysia	(4)dIm.IPL.2260- A.Jld.90	Approval to be the service provider for STS cargo transfer ⁽¹⁾	11 October 2021	10 October 2026	(a) All ships involved in the STS transfer operations shall comply with: (i) the relevant requirements of the Merchant Shipping Ordinance 1952 with any amendments and regulations made there under; and (ii) the relevant requirements under International Maritime Organisation Conventions (b) MMC Ports shall be ultimately responsible and obligated to report arrival and departures of every ship(s) involve in STS transfer operation and keep record of the STS transfer activity. (c) MMC Ports shall comply with the marine risk assessment report stated therein. (d) MMC Ports shall be prohibited from: (i) executing any STS transfer activity and/or operation apart from any clause(s) in the conditions of approval; (ii) executing STS transfer operation outside the approved location; and (iii) acting against any Malaysian laws, rules, regulations currently enforced, and International Maritime Organisation Conventions.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
4.	MMC Ports	Marine Department of Malaysia	(3)dIm.IPL.2260- A.Jld.90	Approval for activities as a service provider to conduct STS transfer of bulk liquid cargo within the port limits of Yan, Kedah to MMC Ports ⁽¹⁾	11 October 2021	10 October 2026	(a) To comply with the approval activity and conditions of approval for each coordinate. (b) To comply with the decisions of the Evaluation Committee Meeting on Marine Risk Assessment Session 44 and 44a of 2021, dated 23 August 2021, and 17 September 2021 respectively. (c) Any non-compliance with the stipulated conditions may result in the revocation of the activity approval. (d) activity approval may be revoked at any time for specific reasons and may be revised once a notification on the enforcement of a new STS activity policy is issued. (e) Any costs or financial implications arising from the subsequent actions shall be fully borne by the licensee.	Complied
<u>PTPSB</u>								
5.	PTPSB	JPA	Not applicable	Port operating licence granted to PTPSB pursuant to the Ports PA 1990	1 October 1999	23 March 2055	(a) PTPSB shall use the land for carrying on its port business and for no other purpose. PTPSB shall carry on its port business in an efficient and businesslike manner in the best interest of users of the port. (b) PTPSB shall carry on its port business conforming to standards agreed by and reviewed periodically with JPA to ensure that the services and facilities provided are of an acceptable standard and so as to ensure that PTP is an efficient and cost-effective port. (c) PTPSB shall comply with the development master plan of PTP, the policies of the Government, JPA and any other governmental authorities whose policies are applicable to its port business, all laws, by-laws, regulations and all international conventions.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
6.	PTPSB	Iskandar Puteri City Council	L2025176947	Business and advertisement licences for administrative office	1 January 2025	31 December 2025	Nil	Not applicable
7.	PTPSB	DOSH	357 Certificates of Fitness	<u>Air receiver tank</u> Certificate of Fitness for Unfired Pressure Vessels	Between 18 December 2023 and 29 June 2025	Between 11 March 2025 ⁽²⁾ and 18 September 2026	Nil	Not applicable
8.	PTPSB	DOSH	7 Certificates of Fitness	<u>Air compressor</u> Certificate of Fitness for Unfired Pressure Vessel	Between 28 June 2024 and 4 May 2025	Between 26 September 2025 and 15 July 2026	Nil	Not applicable
9.	PTPSB	DOSH	57 Certificates of Fitness	<u>Container cranes</u> Certificate of Fitness for Hoisting Machine	Between 16 November 2023 and 8 January 2025	Between 15 February 2025 ⁽²⁾ and 15 June 2026	Nil	Not applicable
10.	PTPSB	DOSH	26 Certificates of Fitness	<u>OTC</u> Certificate of Fitness for Hoisting Machine	Between 31 January 2024 and 24 April 2025	Between 29 April 2025 ⁽²⁾ and 22 July 2026	Nil	Not applicable
11.	PTPSB	DOSH	31 Certificates of Fitness	<u>Double girder</u> <u>OTC</u> Certificate of Fitness for Hoisting Machine	Between 31 March 2024 and 26 June 2025	Between 28 May 2025 ⁽²⁾ and 22 July 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
12.	PTPSB	DOSH	197 Certificates of Fitness	<u>RTG</u> Certificate of Fitness for Hoisting Machine	Between 24 November 2023 and 2 July 2025	Between 29 April 2025 ⁽²⁾ and 19 September 2026	Nil	Not applicable
13.	PTPSB	DOSH	57 Certificates of Fitness	<u>Passenger hoist</u> Certificate of Fitness for Hoisting Machine	Between 31 January 2024 and 26 June 2025	Between 29 April 2025 ⁽²⁾ and 22 July 2026	Nil	Not applicable
14.	PTPSB	DOSH	8 Certificates of Fitness	<u>Mobile column lift</u> Certificate of Fitness for Hoisting Machine	14 October 2024	8 January 2026	Nil	Not applicable
15.	PTPSB	DOSH	12 Certificates of Fitness	<u>4-post lift</u> Certificate of Fitness for Hoisting Machine	14 October 2024	8 January 2026	Nil	Not applicable
16.	PTPSB	JPA	37 pilot licences ⁽³⁾	Licence to certify the licensee's ability and competency as a pilot	Between 29 April 2020 and 18 March 2025	Between 29 April 2025 and 18 March 2030	A licence granted to the licensee to act as a pilot within the Pasir Gudang pilotage district only.	Not applicable
<u>PTIS</u>								
17.	PTIS	JPA	LPJ/TP18/25-00016	Support service licence – Ship chandling	18 February 2025	18 February 2026	(a) Transfer of ownership or sub-leasing this licence is strictly prohibited. Breach of laws under PAA 1963 / Port By-Laws will result in suspend/terminate/withdrawn of such licence without prejudice.	Complied
			LPJ/TP23/Z5-00010	Support service licence – ship repair	18 February 2025	18 February 2026		Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							(b) Licensee shall comply with all rules being adopted under PAA 1963 and JPA (Tanjung Pelepas) By-Laws 2000 and related JPA terms and conditions and other government regulations.	
							(c) Licence or certified licence should be displayed during operation period.	
18.	PTIS	Ministry of Domestic Trade and Costs of Living	KPDNKK.J- JB/26/5A/11/191 (P/D) (P10)	PTIS is permitted to purchase and store scheduled controlled goods below subject to the Supply Control Act 1961: <u>Type of Scheduled Goods:</u> Diesel (Euro 5)- Non-subsidised <u>Storage quantity:</u> 16,000 litres	28 October 2024	27 October 2027	(a) PTIS to comply with the description of the scheduled controlled goods specified in the permit. (b) PTIS to store the scheduled controlled goods at the address permitted in the permit only. (c) To possess or store the scheduled controlled goods in quantities not exceeding the amount authorised in the permit. (d) To purchase the scheduled controlled goods solely for personal use and not for resale purposes. (e) To maintain purchase records, including the supplier's name and address, purchase date, quantity, price, and keep invoices, receipts, or any related purchase documents. (f) To label the skid tank used for storing diesel and petrol with details such as the permit holder's name and address, contact number of the responsible officer, permit reference number, and the type of the scheduled controlled goods. (g) The permit is non-transferable. (h) Permit renewal must be submitted to the supply controller at least 30 days before the permit expires. (i) The scheduled controlled goods purchased and stored are not subsidised controlled goods.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
19.	PTIS	DOSH	2 Certificates of Fitness	OTC Certificate of Fitness for Hoisting Machine	25 June 2024	24 September 2025	Nil	Not applicable
20.	PTIS	DOSH	1 Certificate of Fitness	Air receiver tank Certificate of Fitness for Unfired Pressure Vessels	25 June 2025	24 September 2025	Nil	Not applicable
<u>JPB</u>								
21.	JPB	JPA	Not applicable	Port operating licence granted to JPB pursuant to the Ports PA 1990	1 January 1993	23 March 2055	(a) JPB shall devote the land entirely for the doing and carrying out of any acts for the business of operating, maintaining, managing and the provision of facilities and services of port undertakings and shall do and carry out such acts in an orderly and business-like manner in the best interest of users of the port. (b) JPB shall at all times comply with management performance standards to be established by JPA in respect of standards of facilities and services to be provided by JPB whilst carrying on the business. In this respect, JPB shall submit the requisite reports, documents and statistical information as required under the Ports PA 1990. (c) JPB shall comply with all statutes, rules, by-laws and regulations applicable to the port and the operations of the business on the land and within the port and all international conventions ratified by the Government applicable to ports or the port's operation, port development-policies and operating standards as may from time to time be specified by JPA and any other relevant government authorities.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
22.	JPB	Pasir Gudang City Council	File No.: MPPG: PLS2/1/1- N419 <u>Advertisement</u> <u>Serial No:</u> PG//2021/07/200 118	Business and advertisement licences for administrative office	1 January 2025	31 December 2025	(a) The licence must be renewed annually between 1 September to 31 December. A penalty will be imposed the application of renewal starts on 1 January to 31 March. Cancellation of licence will be implemented after 1 April. (b) Licence approval is subject to compliance with the act, by-laws, regulations, or orders currently or to be enforced by the city council, including additional licensing conditions that may be imposed by the city council from time to time.	Complied
23.	JPB	JPA	49 pilot licences ⁽³⁾	Licence to certify the licensee's ability and competency as a pilot	Between 24 June 2020 and 30 December 2024	Between 24 June 2025 and 30 December 2029	A licence granted to the licensee to act as a pilot within the Pasir Gudang pilotage district only.	Not applicable
24.	JPB	Ministry of Domestic Trade and Costs of Living	KPDN.J.JB/26/5A/ 11/1378 (P/D)	JPB is permitted to purchase and store scheduled controlled goods below subject to the Supply Control Act 1961: <u>Type of</u> <u>Scheduled</u> <u>Goods:</u> Diesel (Euro 5)- Non-subsidised <u>Storage quantity:</u> 128,000 litres	28 October 2024	27 October 2027	(a) JPB to comply with the description of the scheduled controlled goods specified in the permit. (b) JPB to store the scheduled controlled goods at the address permitted in the permit only. (c) To possess or store the scheduled controlled goods in quantities not exceeding the amount authorised in the permit. (d) To purchase the scheduled controlled goods solely for personal use and not for resale purposes. (e) To maintain purchase records, including the supplier's name and address, purchase date, quantity, price, and keep invoices, receipts, or any related purchase documents. (f) To label the skid tank used for storing diesel and petrol with details such as the permit holder's name and address, contact number of the responsible	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							officer, permit reference number, and the type of the scheduled controlled goods.	
							(g) The permit is non-transferable.	
							(h) Permit renewal must be submitted to the supply controller at least 30 days before the permit expires.	
							(i) The scheduled controlled goods purchased and stored are not subsidised controlled goods.	
25.	JPB	DOSH	11 Certificates of Fitness	<u>Air receiver</u> Certificate of Fitness for Unfired Pressure Vessels	Between 9 May 2024 and 30 December 2024	Between 5 August 2025 and 29 March 2026	Nil	Not applicable
26.	JPB	DOSH	21 Certificates of Fitness	<u>Air receiver tank</u> Certificate of Fitness for Unfired Pressure Vessels	Between 16 May 2024 and 24 June 2025	Between 15 July 2025 ⁽²⁾ and 10 September 2026	Nil	Not applicable
27.	JPB	DOSH	5 Certificates of Fitness	<u>Container crane</u> Certificate of Fitness for Hoisting Machines	Between 18 November 2024 and 25 November 2024	Between 11 February 2026 and 12 February 2026	Nil	Not applicable
28.	JPB	DOSH	4 Certificates of Fitness	<u>Quayside container crane</u> Certificate of Fitness for Hoisting Machines	Between 25 November 2024 and 24 June 2025	Between 12 February 2026 and 10 September 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
29.	JPB	DOSH	2 Certificate of Fitness	Single girder electric overhead travelling crane Certificate of Fitness for Hoisting Machines	Between 25 November 2024 and 24 June 2025	Between 12 February 2026 and 10 September 2026	Nil	Not applicable
30.	JPB	DOSH	9 Certificates of Fitness	Double girder crane Certificate of Fitness for Hoisting Machines	Between 16 May 2024 and 13 February 2025	Between 15 August 2025 and 12 May 2026	Nil	Not applicable
31.	JPB	DOSH	17 Certificates of Fitness	RTG Certificate of Fitness for Hoisting Machines	Between 31 December 2024 and 6 June 2025	Between 29 March 2026 and 14 August 2026	Nil	Not applicable
32.	JPB	DOSH	1 Certificate of Fitness	Level luffing crane Certificate of Fitness for Hoisting Machines	9 April 2025	12 May 2026	Nil	Not applicable
33.	JPB	DOSH	1 Certificate of Fitness	Monorail crane Certificate of Fitness for Hoisting Machines	9 April 2025	12 May 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
34.	JPB	DOSH	1 Certificate of Fitness	<u>Single girder overhead travelling crane</u> Certificate of Fitness for Hoisting Machines	13 February 2025	12 May 2026	Nil	Not applicable
35.	JPB	DOSH	1 Certificate of Fitness	<u>Slewing crane</u> Certificate of Fitness for Hoisting Machines	16 May 2024	15 July 2025	Nil	Not applicable
36.	JPB	DOSH	11 Certificates of Fitness	<u>Transfer crane</u> Certificate of Fitness for Hoisting Machines	Between 31 December 2024 and 6 June 2025	Between 17 March 2026 and 14 August 2026	Nil	Not applicable
37.	JPB	DOSH	2 Certificates of Fitness	<u>Passenger lift</u> Certificate of Fitness for Hoisting Machines	11 June 2024	10 September 2025	Nil	Not applicable
38.	JPB	DOSH	6 Certificate of Fitness	<u>Level luffing crane</u> Certificate of Fitness for Hoisting Machines	4 November 2023	31 January 2025 ⁽²⁾	Nil	Not applicable
39.	JPB	DOSH	7 Certificates of Fitness	<u>Passenger hoist</u> Certificate of Fitness for Hoisting Machines	Between 25 November 2024 and 5 July 2025	Between 12 February 2026 and 10 September 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
40.	JPB	DOSH	10 Certificates of Fitness	Goods hoist Certificate of Fitness Hoisting Machines	25 July 2024	22 October 2025	Nil	Not applicable
<u>SPT Services</u>								
41.	SPT Services	JPA	1 operating licence (private jetty)	Licence to operate a private jetty	2 January 2025	1 July 2025	(a) This operating licence cannot be transferred to any party. (b) The following types of cargo are permitted to be handled: (i) Container - Import and export (ii) Sulphur – Export Charges are to be paid according to the 'Johor Port Authority (Scales of Charges) By-Laws 2011 Part 13 & 14' and the 'Johor Port Authority (Tanjung Pelepas) (Scales of Rate, Dues and Charges) By-Laws 2000', as applicable. Failure to make any payments will result in non-renewal of the operating licence (Private Jetty).	Complied
<u>NMB</u>								
42.	NMB	PKA	Not applicable	Port operating licence granted to NMB pursuant to the Ports PA 1990	16 November 2018	30 November 2043	(a) To carry out the business of operating, managing and providing operational facilities and port services in Northport and Southpoint and for controlling, maintaining, constructing, improving and developing the Northport and Southpoint and authorises NMB to do all or any of the act specified. (b) NMB shall at all times comply with port performance standards to be determined by PKA in consultation with NMB relating to standards of facilities and services to be provided by NMB whilst carrying out the port operation. In this respect, NMB shall submit the requisite reports, documents and statistical information as may be required under the Ports PA 1990 and by PKA.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							(c) NMB shall comply with all statutes, rules, by-laws and regulations applicable to the port operation at Northport and Southpoint and all international conventions ratified by the Government applicable to port or the port operation, port development policies and operating standards as may from time to time be specified by PKA and any other relevant government authorities.	
43.	NMB	Klang Royal City Council	20 business licence for industrial and advertising	Licence for storing customer goods	1 January 2025 to 2 January 2025	31 December 2025	Nil	Not applicable
44.	NMB	PKA	36 pilot licences ⁽³⁾	Licence to certify the licensee's ability and competency as a pilot	Between 21 July 1998 and 13 February 2025	Not applicable	A licence granted to the licensee to act as a pilot within the Port Klang pilotage district only, subject to a maximum age limit of 60 years.	Not applicable
45.	NMB	Ministry of Domestic Trade and Costs of Living	6 permits for scheduled controlled goods	NMB is permitted to purchase and store scheduled controlled goods below subject to the Supply Control Act 1961: <u>Type of Scheduled Goods:</u> (1) Diesel (Euro 2M) (2) Petrol (Ron 95) (3) Liquefied Petroleum Gas	15 February 2024 to 5 August 2024	14 February 2026 to 4 August 2026	(a) Comply with the description of scheduled controlled goods specified in the permit. (b) Store scheduled controlled goods at the address permitted in the permit only. (c) Store or have in his possession scheduled controlled goods not exceeding the quantity permitted in the permit. (d) Purchase scheduled controlled goods specified for personal use and not for resale purposes. (e) Maintain a purchase record book containing the name and address of the supplier, date of purchase, quantity and price and retain invoices, receipts or any purchase documents.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
				(4) Diesel (Euro 2M) (5) Diesel (Euro 2M) (6) Diesel (Euro 2M) <u>Storage quantity:</u> (1) 85,000 litres (2) 17,000 litres (3) 3,000 kilograms (4) 18,000 litres (5) 14,000 litres (6) 146,000 litres			(f) Label skid tanks used for storage of diesel and petrol with the details of the permit holder's name and address, contact telephone number of the officer, permit reference number and type of scheduled controlled goods. (g) The permit is not transferable. (h) Renewal of permit must be submitted to the supply controller 30 days before expiration. (i) Scheduled controlled goods purchased and stored are not subsidised controlled goods.	
46.	NMB	DOSH	31 Certificates of Fitness	<u>Quay crane</u> Certificate of Fitness for Quay Crane	10 March 2024 to 29 April 2024	25 May 2025 to 22 July 2025	Nil	Not applicable
47.	NMB	DOSH	100 Certificates of Fitness	<u>RTG</u> Certificate of Fitness for Rubber Tyred Gantry Crane	10 March 2024 to 30 December 2024	25 May 2025 to 22 March 2026	Nil	Not applicable
48.	NMB	DOSH	1 Certificate of Fitness	<u>Level luffing crane</u> Certificate of Fitness for Bulk Crane	29 April 2024	22 July 2025	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.		Description of licence/ Approval	Date of Grant/ Renewal	Expiry date		Salient conditions	Status of compliance
<u>Northport Distripark</u>										
49.	Northport Distripark	Klang Royal City Council	Industrial Advertising Licence	and	Licence for storing customer goods	2 January 2025	31 December 2025	Nil		Not applicable
<u>PPSB</u>										
50.	PPSB	PPC	Not applicable		Port operating licence granted to PPSB pursuant to the Ports PA 1990	1 January 2024	23 March 2055	(a)	To carry out the business of operating, managing, maintaining and providing services and facilities: (i) PPSB shall devote the operational area entirely for operating, managing, maintaining and developing the operational area and providing the services and facilities to port users for the purpose of the business. (ii) PPSB shall provide port facilities and services at the operational area and carry out the business activities in an efficient and businesslike manner and subject to business, commercial and financial considerations in the best interest of users of the port. (iii) For the purpose of condition on what constitutes "business, commercial and financial considerations" shall be determined by PPC, and such determination shall for all intents and purposes be final and conclusive. (b) PPSB shall, at all times comply with performance standards as detailed in the licence. The performance standards shall be reviewed as and when required in consultation with PPSB to ensure that the facilities and services provided are high standard, cost effective, and attractive to attract direct calls. For this purpose, PPSB shall submit to PPC all relevant data and statistical	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							information relating to the operation to enable PPC to assess the degree of public benefit, efficiency and attainment of government objectives.	
							(c) PPSB shall comply with the government directives, the port development plan and policies of PPC, all laws in force, by-laws, regulations, and operating standards as may from time be specified by PPC and any other government authorities relating to the port premises and the operation of the business and with all international conventions ratified by or adhered to by the Government as applicable to ports and ports operation.	
51.	PPSB	Seberang Perai City Council	PRI/01/20241204/1524	Business licence for administration office	4 December 2024	31 December 2025	Nil	Not applicable
52.	PPSB	PPC	21 pilot licences ⁽³⁾	Licence to certify the licensee's ability and competency as a pilot	12 December 1994 to 22 June 2024	Not applicable	A licence granted to the licensee to act as a pilot within the Penang Port pilotage district only.	Complied
53.	PPSB	Domestic Shipping Licensing Board	4 domestic shipping licences	Licences to operate for four unit of ferries, namely, Teluk Bahang, Teluk Kampi, Teluk Kumbar and Teluk Duyung	6 November 2023	5 November 2025	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
54.	PPSB	Director of Marine Department of Malaysia	4 safe manning certificates	Certificates to comply with the number of operators onboard on each of the four unit of ferries, namely, Teluk Bahang, Teluk Kampi, Teluk Kumbar and Teluk Duyung	3 May 2024	1 November 2028	Nil	Not applicable
55.	PPSB	Surveyor of Ships of Marine Department of Malaysia	4 passenger certificates	Certificates issued to ensure the safety of passengers for four unit of ferries, namely, Teluk Bahang, Teluk Kampi, Teluk Kumbar and Teluk Duyung	6 June 2025 to 17 June 2025	6 August 2025 to 16 August 2025	The provisions of the Merchant Shipping Ordinance 1952 relating to the survey of passenger ships have been complied with and that the ship is fit to ply within the limit stated above with 250 passengers and 7 crew. The ship complied with the requirements of the said Ordinance as regards to: (a) the hull and machinery; (b) equipments, light and sound signals; and (c) the life-saving appliances (263 lifejackets for adults and 7 lifejackets for children, 5 lifebuoys, and 11 buoyant apparatus for 132 persons).	Complied
56.	PPSB	Ministry of Domestic Trade and Costs of Living	PB07000025	Licence to store diesel, namely, diesel wholesale business (Euro 5) within PPSB premises	14 March 2025	13 March 2028	Diesel wholesale business (Euro 5) in accordance with Regulation 4(1) Supply Control Regulations 1974: (a) This licence is not transferable. (b) This licence is subject to the special conditions stated herein. (c) The licensee shall not have in his possession or under his custody or control and shall not permit any person to have in his possession or under his custody or control on behalf of the licensee more	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
							than 20,000 litres of Diesel (Euro 5) to which this licence applies. Special conditions for wholesalers and manufacturers of all grades of petrol or diesel fuel: (a) Without the written permission of the Malaysian supply officer, the holder of this licence, PPSB shall not: (i) stop supplying petrol or diesel fuel to its distributors or wholesalers. (ii) reduce the supply of petrol or diesel fuel to its distributors or wholesalers. (iii) move or close the storage premises or depots specified in this licence. (b) The holder of this licence, PPSB shall: (i) determine the supply of petrol or diesel fuel to the distributors or wholesalers to be not less than the supply always provided. (ii) determine the supply of petrol or diesel fuel to the distributors or wholesalers to be uninterrupted. (iii) ensure that the supply of petrol or fuel to its distributors or wholesalers is always sufficient for daily sales. (iv) ensure that every request for supply from its distributors or wholesalers is met in full. (v) take steps to ensure that every request for supply by its distributors or wholesalers is met without delay. (vi) notify the Malaysian supply controller of any closure or cessation of supply at any petrol station supplied by it immediately. (c) PPSB shall display the licence in a conspicuous place within the business premises. (d) PPSB shall comply with any instructions given by the Malaysian supply controller or supply officers authorised by the Malaysian supply controller under the Supply Control Act 1961, relating to the supply of petrol and diesel.	

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
57.	PPSB	DOSH	35 Certificates of Fitness	<u>Air receivers</u> Certificate of Fitness for Unfired Pressure Vessel	16 May 2024 to 25 March 2025	8 August 2025 to 9 June 2026	Nil	Not applicable
58.	PPSB	DOSH	3 Certificates of Fitness	<u>Air receiver tanks</u> Certificate of Fitness for Unfired Pressure Vessel	16 May 2024 to 11 March 2025	8 August 2025 to 9 June 2026	Nil	Not applicable
59.	PPSB	DOSH	3 Certificates of Fitness	<u>Air compressor</u> Certificate of Fitness for Unfired Pressure Vessel	25 February 2021 to 25 March 2025	15 August 2025 to 14 April 2026	Nil	Not applicable
60.	PPSB	DOSH	12 Certificates of Fitness	<u>Quayside container crane / container crane</u> Certificate of Fitness for Hoisting Machine	22 August 2024	26 September 2025	Nil	Not applicable
61.	PPSB	DOSH	10 Certificates of Fitness	<u>Double girder gantry crane / Double girder crane</u> Certificate of Fitness for Hoisting Machine	16 May 2024 to 25 March 2025	15 August 2025 to 14 April 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
62.	PPSB	DOSH	18 Certificates of Fitness	<u>Overhead travelling crane (Single / Double girder)</u> Certificate of Fitness for Hoisting Machine	16 May 2024 to 19 February 2025	8 August 2025 to 18 May 2026	Nil	Not applicable
63.	PPSB	DOSH	31 Certificates of Fitness	<u>RTG</u> Certificate of Fitness for Hoisting Machine	14 February 2023 to 25 March 2025	8 August 2025 to 14 April 2026	Nil	Not applicable
64.	PPSB	DOSH	8 Certificates of Fitness	<u>Jib crane / Slewing jib</u> Certificate of Fitness for Hoisting Machine	16 May 2024 to 22 August 2024	8 August 2025 to 26 September 2025	Nil	Not applicable
65.	PPSB	DOSH	3 Certificates of Fitness	<u>Mobile harbour crane</u> Certificate of Fitness for Hoisting Machine	14 October 2024 to 5 June 2025	1 January 2026 to 7 August 2026	Nil	Not applicable
66.	PPSB	DOSH	2 Certificates of Fitness	<u>Monorail crane</u> Certificate of Fitness for Hoisting Machine	11 March 2025 and 25 March 2025	14 April 2026 and 9 June 2026	Nil	Not applicable

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
67.	PPSB	DOSH	11 Certificates of Fitness	<u>Passenger and material hoist</u> Certificate of Fitness for Hoisting Machine	13 June 2024 to 2 August 2024	2 October 2025	Nil	Not applicable
68.	PPSB	DOSH	8 Certificates of Fitness	<u>Electric chain hoist</u> Certificate of Fitness for Hoisting Machine	16 May 2024	15 August 2025	Nil	Not applicable
69.	PPSB	DOSH	2 Certificates of Fitness	<u>Gangway hoist</u> Certificate of Fitness for Hoisting Machine	16 May 2024	8 August 2025	Nil	Not applicable
70.	PPSB	DOSH	8 Certificates of Fitness	<u>Passenger lifts</u> Certificate of Fitness for Hoisting Machine	22 July 2024 to 20 December 2024	2 October 2025 to 3 June 2026	Nil	Not applicable
<u>TBPSB</u>								
71.	TBPSB	MPA	Not applicable	Port operating licence granted pursuant to the Ports PA 1990	20 May 2016	23 March 2055	(a) TBPSB shall carry out the port operation at Tanjung Bruas Port and designated area in an efficient and businesslike manner and in the best interest of the port users. (b) The licensee shall at all times provide, operate and maintain adequate and efficient services and facilities to all port users. (c) The licensee shall not transfer, assign, novate or otherwise dispose of its rights, duties, liabilities, obligations and privileges or part thereof under this licence to any person.	Complied

ANNEXURE B: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Body/ Licensor	Permit/ Licence/ Registration No.	Description of licence/ Approval	Date of Grant/ Renewal	Expiry date	Salient conditions	Status of compliance
72.	TBPSB	Melaka Historic City Council	PK-JPLK-01-R7	Business and advertising licence for administrative office	8 November 2024	5 November 2025	(a) The licence cannot be transferred to another person without written permission from the Melaka Historic City Council. (b) The usage of plastic and polystyrene other than biodegradable products is prohibited.	Complied
73.	TBPSB	MPA	4 pilot licences ⁽³⁾	Licence to certify the licensee's ability and competency as a pilot	Between 23 August 2022 and 23 July 2024	Not applicable	(a) The licensee is restricted to anchoring vessels of any limit of authority and berthing/unberthing vessels up to limit of authority 180 metres at Tanjung Bruas Port wharves. (b) A licence granted to the licensee to act as a pilot within the designated area of Tanjung Bruas Port only.	Complied

Notes:

- (1) MMC Ports had on 15 November 2021 appointed APSB to carry out the STS services at the designated landing place for the duration of the term of the STS licence.
- (2) Application for renewal of the certificate of fitness has been submitted to DOSH.
- (3) Number of pilot licences maintained by each respective port as at the LPD.

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT**C.1 Material properties owned by our Group**

Details of the material properties owned by our Group are set out below:

No.	Registered/ Beneficial owner/ Title/ Postal address/ Tenure	Description/ Existing use	Date of issuance CCC or equivalent	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Category of land use/ Express conditions	Encumbrances on land	Audited NBV as at 31 December 2024 (RM'000)
1.	<u>Registered owner:</u> PTPSB	<u>Description:</u> Vacant land	N/A	<u>Built-up area:</u> N/A	<u>Category of land use:</u> Industry ("Perusahaan/Perindustrian")	Nil	1,086
	<u>Title:</u> H.S.(D) 456618, PTD 3161, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor	<u>Existing use:</u> Vacant land proposed to be leased to a third party by 2025		<u>Land area:</u> 27,964 sq.m.	<u>Express conditions:</u> (i) This land shall be used as a medium industry area for the purposes of warehousing and storage and other related uses, developed in accordance with the plan approved by the relevant local authority. (ii) All waste and pollution resulting from this activity must be channeled/disposed of at locations designated by the relevant local authority. (iii) All regulations and requirements imposed and enforced by the relevant authority must be complied with.		
	<u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor						
	<u>Tenure:</u> Leasehold for a period of 99 years expires on 24 April 2107				<u>Restriction in interest:</u> This land shall not be transferred, leased, mortgaged, or sold in any manner whatsoever except with the approval of the state authority.		
2.	<u>Registered owner:</u> JPB	<u>Description:</u> Single-storey warehouse	18 January 2018	<u>Built up area:</u> 13,440 sq.m.	<u>Category of land use:</u> Industry ("Perusahaan/Perindustrian")	Nil	24,829
	<u>Title:</u> H.S.(D) 614874, PTD 239857, Mukim Plentong, Daerah Johor Bahru, Negeri Johor	<u>Existing use:</u> known as "12C"		<u>Land area:</u> 71,239.94 sq.m.	<u>Express conditions:</u> (i) This land shall be used as a factory for the purpose of light industry and other related uses, constructed in accordance with the plans approved by the relevant local authority.		

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Registered/ Beneficial owner/ Title/ Postal address/ Tenure	Description/ Existing use	Date of issuance CCC or equivalent	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Category of land use/ Express conditions	Encumbrances on land	Audited NBV as at 31 December 2024 (RM'000)
	<u>Postal address:</u> Warehouse 12C, Jalan Nikel 3, Kawasan Perindustrian Pasir Gudang 12C, Mukim Plentong, 81700 Johor Bahru <u>Tenure:</u> Leasehold for a period of 60 years expires on 28 January 2075	Storage space that is rented to a customer			(ii) All waste and pollution resulting from this activity must be channeled/disposed of at locations designated by the relevant local authority. (iii) All regulations and requirements imposed and enforced by the relevant authority must be complied with. <u>Restriction in interest:</u> The land shall not be transferred in any manner whatsoever unless the construction of infrastructure for public facilities in the industrial area has commenced in accordance to the plan approved by the relevant local authority.		
3.	<u>Registered owner:</u> Northport Distripark <u>Title:</u> HS(M) 6217, PT 4183, Mukim Kapar, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport Distripark Sdn Bhd Jalan Pelabuhan Utara 42000 Pelabuhan Klang Selangor <u>Tenure:</u> Leasehold for a period of 99 years expires on 9 June 2086	<u>Description:</u> Warehouse known as "Gudang Harapan" <u>Existing use:</u> Storage space that is rented to customers	7 April 2005	<u>Built-up area:</u> 200,000 <u>Land area:</u> 4.04 hectares	<u>Category of land use:</u> Industry ("Perusahaan") <u>Express conditions:</u> Industry ("Perusahaan") <u>Restriction in interest:</u> This land shall not be transferred, leased, mortgaged, or sold in any manner whatsoever except with the approval of the state authority.	Nil	34,502

None of the material properties that we owned are in breach of any of the land use conditions or current applicable laws, rules and building regulations.

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)**C.2 Material properties leased/ tenanted by our Group from the port authorities (including all concession/non-concession lands)**

Details of the material properties leased/sub-leased or tenanted by our Group from the port authorities, which includes all properties under the respective Privatisation Agreements, are as set out below. Under the Privatisation Agreements and Lease Agreements, the port entities were granted rights to occupy and operate port facilities during the concession period. Upon the expiry or termination of these agreements, the demised properties, including the land, buildings and structures erected thereon, shall be surrendered to the port authorities, as they are the owners of the properties. For further details on our regulatory framework for port premises/buildings/structures, see Section 7.21(vi) of this Prospectus.

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
PTPSB				
1.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> H.S.(D) 303868, PTD 2423, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor	<u>Description and existing use:</u> A piece of land located at the Pelepas Free Zone Area, comprising: 1. Seven storey office building used as port administration building, known as "Wisma A" 2. Six storey office building used as customs administrative office and other agencies, known as "Wisma B" 3. One block port workshop used as healthy, safety, security and environment division office 4. Double-storey multipurpose building used as operation administrative building known as "Port Utility Building" 5. Main gate with security offices for security access control 6. Single storey office building used as wharf operations office known as "Wharf Office No. 1" 7. Single storey port parallel building used as server room and training room 8. Two units single storey warehouses with attached double-storey offices known as "Warehouse No. 3 & No. 4" 9. One block office with security office for security access control known as "Gate B" 10. One block four storey building with cafeteria, office space and recreational area known as "Central Planning and Performance Office" 11. Wharves known as "Berths No. 1 to No. 6" 12. Various small structures within the empty container storage area 13. Various small structures such as weighbridge cabin, customs inspection cabin and customs inspection shed 14. Nine 22kV electrical substation and one 132kV electrical substation 15. One unit pump house known as "Pump House No. 1"	<u>Built-up area:</u> 180,481 sq. m. <u>Land area:</u> 349.04 hectares	Refer to note (1)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
		16. Part of container yards No. 13 to No. 15		
		Several warehouses, buildings, shoplots, open spaces and offices that are located on different plots within Distripark A and B were sublet or rented out by PTPSB to third parties for various uses. ⁽²⁾		
		<u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055		
2.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> H.S.(D) 303949, PTD 2426, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor	<u>Description and existing use:</u> A piece of land located at the Pelepas Free Zone Area, comprising: 1. Part of the wharf known as "Berths No. 7 to No. 9" 2. Single storey engineering workshop with double storey office and a canteen 3. Part of double-storey office building used as wharf operations office known as "Wharf Office No. 4 & 5" 4. Part of 132kV electrical substation, substation No. 13 and one unit double-storey electrical substation with main switch station 5. Part of container yards No. 13 to No. 21 6. One unit pump house A dormitory on plot D27 and several warehouses located on plots D39, D40 and D44 within Distripark B were sublet or rented by PTPSB to third parties <u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055	<u>Built-up area</u> 60,705.5 sq. m. <u>Land area:</u> 469.08 hectares	Refer to note (1)
3.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> H.S.(D) 9378, PTD 1586, Mukim Serkat, Daerah Pontian, Negeri Johor	<u>Description and existing use:</u> A piece of land located at the Pelepas Free Zone Area, comprising: 1. Part of the wharf known as "No. 10 – No. 14" 2. Part of double-storey office building used as wharf operations office known as "Wharf Office No. 6" 3. Part of substation No. 22 4. Double storey office known as "Wharf Office No. 7" 5. Two units bus stops 6. Part of substation No. 22 with one unit double storey electrical substation	<u>Built-up area:</u> 81,942.68 sq. m. <u>Land area:</u> 114.92 hectares	Refer to note (1)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor	<u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055		
4.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> H.S.(D) 303955, PTD 2521, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor	<u>Description and existing use:</u> Sewage treatment plant <u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055	<u>Built-up area:</u> 6,802.49 sq. m. <u>Land area:</u> 1.57 hectares	Refer to note (1)
5.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> H.S.(D) 303871, PTD 2427, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Central Planning and Performance Office Building, Pelepas Free Zone Area, Pelabuhan Tanjung Pelepas, Jalan Pelabuhan Tanjung Pelepas, TST 507, 81560 Gelang Patah, Johor	<u>Description and existing use:</u> Plots of the land have been sub-leased by PTPSB to PTPSB's customers. The warehouses located on plots D29, D30, D31 and D32 within Distripark B were constructed by PTPSB's customers <u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055	<u>Built-up area:</u> N/A <u>Land area:</u> 16.74 hectares	Refer to note (1)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
6.	<u>Lessor:</u> JPA <u>Lessee:</u> PTPSB <u>Title:</u> The following are land titles for the concession lands leased but not currently occupied by PTPSB in PTP: (1) Pajakan Negeri 58259, Lot 3883, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (2) Pajakan Negeri 31527, Lot 3923, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (3) Pajakan Negeri 31528, Lot 3924, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (4) Pajakan Negeri 31530, Lot 3926, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (5) Pajakan Negeri 31531, Lot 3927, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (6) Pajakan Negeri 31556 to 31577, Lots 3931 to 3952, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (22 lands) (7) Pajakan Negeri 31533 to 31554, Lots 3953 to 3974, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor (22 lands)	<u>Description and existing use:</u> Concession lands leased but not currently occupied by PTPSB <u>Period of lease:</u> 60 years commencing from 24 March 1995 to 23 March 2055	<u>Built-up area:</u> N/A <u>Land area:</u> The following are the respective land areas for each piece of land: (1) 1,400 sq. m. (2) 2.15 hectares (3) 6,840 sq. m. (4) 2,202 sq. m. (5) 6,352 sq. m. (6) 84.14 hectares (7) 79.1 hectares (8) 2.79 hectares (9) 18.45 hectares (10) 19.1 hectares (11) 21 hectares (12) 9.42 hectares	Refer to note (1)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
(8)	H.S.(D) 303870, PTD 2425, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor			
(9)	H.S.(D) 591290, PTD 5314, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor			
(10)	H.S.(D) 591291, PTD 5316, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor			
(11)	H.S.(D) 591292, PTD 5318, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor			
(12)	H.S.(D) 591294, PTD 5321, Mukim Tanjung Kupang, Daerah Johor Bahru, Negeri Johor			

Postal address:

N/A

JPB

7.	<u>Lessor:</u> JPA	<u>Description and existing use:</u> Jetty BT1 which is used as an area for the berthing of the vessel	<u>Built-up area:</u> 5,425.62 sq. m.	97,900.00
	<u>Lessee:</u> JPB	<u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 2.05 hectares	
	<u>Title:</u> H.S.(D) 522962, PTD 205864, Mukim Plentong, Daerah Johor Bahru, Negeri Johor ⁽³⁾			
	<u>Postal address:</u> No. PTD 205864, Johor Port Berhad, 81700 Pasir Gudang, Johor			

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
8.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 625141 PTD 249382, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. Warehouses known as 2B1, 2B2, 2C1, 2C2, 2D, 3A, 3C, 3D, 3E, 4A1, 4A2, 4B, 5A, 5A2, 5B, 6A, 6B1, 6B2, 6C1A, 6C1B, 6C2 and 6C3 to store goods 2. Oasis building used for facilities such as cafeterias, food court, retail stores, offices, clinic and training rooms 3. Marine and engineering building used for offices and retail stores 4. Checkpoint Gate C as a security and customs check for personnels and goods 5. Maintenance operation support services workshop, which is an open shed used for equipment repair 6. Substations known as <i>Substation No. 2</i> , <i>No. 3</i> and <i>No. 6</i> to supply electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 180,385.02 sq. m. <u>Land area:</u> 415,150 sq. m.	Refer to note (4)
9.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346447, PTD 163135, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 2 Jalan Kontena, Kawasan Pelabuhan Johor, 81700 Pasir Gudang, Johor.	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 35,049 sq. m.	Refer to note (4)
10.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 0.81 hectares	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> H.S.(D) 346448, PTD 163136, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 3 Off Jalan Pukal, 81707 Pasir Gudang, Johor			
11.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346449, PTD 163137, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 3 Off Jalan Pukal, 81707 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 2.02 hectares	Refer to note (4)
12.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346450, PTD 163138, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 3 Off Jalan Pukal, 81707 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 0.75 hectares	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
13.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346451, PTD 163139, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Jalan Pukal 4, Pelabuhan Johor Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 3.66 hectares	Refer to note (4)
14.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346457, PTD 163145, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 3 Off Jalan Pukal, 81707 Pasir Gudang, Johor	<u>Description and existing use:</u> Open yard for container depot <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 5.74 hectares	Refer to note (4)
15.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346458, PTD 163146, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Jalan Simen 1, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Vacant land <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 0.04 hectares	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
16.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 458043, PTD 200290, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> PLO 336, Jalan Suasa, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 22.52 hectares	Refer to note (4)
17.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346452, PTD 163140, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. Warehouses known as <i>Warehouse 7B1, 7B2, 7B3, 8B, 8B1, 9A, 9B, 10A1, 10A2, 10B</i> to store goods 2. Substations known as <i>Substation No. 10</i> and <i>No. 11</i> to supply electricity 3. A pump house used as a utility building used for pumping water for safety purposes, as required by the BOMBA 4. A sewage treatment plant <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 82,731.72 sq. m. <u>Land area:</u> 219,851 sq. m.	Refer to note (4)
18.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 346466, PTD 163154, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 21 Jalan Feri, Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 13,933 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
19.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 121887, Lot 66180, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> No. Lot 66180, Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Vacant land that is currently not in use <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 1,830 sq. m.	Refer to note (4)
20.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 121888, Lot 66183, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Substation to provide electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 56.4 sq. m. <u>Land area:</u> 538 sq. m.	Refer to note (4)
21.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 121889, Lot 66186, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Sewage pump station for water discharge <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 32.09 sq. m. <u>Land area:</u> 394 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
22.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 121890, Lot 66185, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Vacant land (empty open yard) used as a storage for empty containers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 16,435 sq. m.	Refer to note (4)
23.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122236, No. Lot 66188, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Single-storey warehouse known as "FZ4", used for storage of goods <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 6,144 sq. m. <u>Land area:</u> 15,201 sq. m.	Refer to note (4)
24.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122237, Lot 66189, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land which comprises of: 1. On-dock for the repair of container 2. A pump house used as a utility building for pumping water for safety purposes, as required by BOMBA <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 35.4 sq. m. <u>Land area:</u> 2,220 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
25.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122238, No. Lot 66190, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Substation No. 8 used to supply electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 35.37 sq. m. <u>Land area:</u> 390 sq. m.	Refer to note (4)
26.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122239, Lot 66191, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. A single storey warehouse known as "Warehouse ICFS" to store goods 2. A single storey warehouse known as "Warehouse FZ2" to store goods 3. On dock depot used for storage, handling, and transfer of shipping containers directly within the port area <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> <u>Building 1:</u> 9,527 sq. m. <u>Building 2:</u> 7,833.18 sq. m. <u>Land area:</u> 50,719 sq. m.	Refer to note (4)
27.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122240, Lot 66192, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A two-storey warehouse known as "Warehouse FZ1" used to store goods <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 18,000 sq. m. <u>Land area:</u> 27,671 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
28.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122242, Lot 66194, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Electrical substation used to supply and distribute electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 239.98 sq. m. <u>Land area:</u> 1,816 sq. m.	Refer to note (4)
29.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 238593, PTD 119698, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Pelabuhan Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Electrical substation used to supply and distribute electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 321.4 sq. m. <u>Land area:</u> 0.31 hectares	Refer to note (4)
30.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122243, Lot 66209, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Pipe rack used to support the pipeline for liquid cargo from the vessel to the storage tank or from the storage tank to the vessel <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 6,898 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
31.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122258, Lot 66211, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Pipe rack used to support the pipeline for liquid cargo from the vessel to the storage tank or from the storage tank to the vessel <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 10,034 sq. m.	Refer to note (4)
32.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122245, Lot 66213, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Vacant land currently not in use <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 3,163 sq. m.	Refer to note (4)
33.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122248, Lot 66229, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> GRN 122248, Lot 66229, Mukim Plentong, Daerah Johor Bahru, Negeri Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 29,126 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
34.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122333, Lot 66232, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Vacant land used as road reserve <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 4,149 sq. m.	Refer to note (4)
35.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 622847, PTD 248230, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Lot 129, Lorong Pukal Satu, Johor Port Area, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been sub-leased by JPB to JPB's customers <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> N/A <u>Land area:</u> 16,302 sq. m.	Refer to note (4)
36.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122351, Lot 66234, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Electrical substation used to supply and distribute electricity <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 281.51 sq. m. <u>Land area:</u> 701 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
37.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 622850, PTD 248233, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Two-storey warehouse known as "Warehouse 3E" used to store goods <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 31,821.45 sq. m. <u>Land area:</u> 21,282 sq. m.	Refer to note (4)
38.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> GRN 122348, Lot 66252, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Jalan Baja, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> The land has been rented to a tenant <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Land area:</u> 5,033 sq. m.	Refer to note (4)
39.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 177747, PTD 36145, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> FGVJB, Terminal 3, Jalan Pelabuhan, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Wharf 1 and 2 used for the berthing of vessels and the loading and unloading of cargo <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 77,446 sq. m. <u>Land area:</u> 7.74 hectares	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
40.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 454424, PTD 188730, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. A six-storey building known as "Wisma Kontena", used as office area 2. A single-storey building known as "Wisma Café", used as a canteen 3. A two-storey building known as "M&R Building" used as workshop area and office for equipment maintenance and repair 4. A single-storey building known as "Central Store" and used as office 5. A single-storey building used as prayer room 6. An open space known as "Container Yard" for placement of laden and unladen container 7. A structure built specifically for container vessel berthing in the water limits located in the port area <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 4,608.09 sq. m. <u>Land area:</u> 32.16 hectares	Refer to note (4)
41.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 454425, PTD 188731, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. An open space known as "Container Yard" for placement of laden and unladen container 2. A staff cabin for the rest area and office use <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 1,335 sq. m. <u>Land area:</u> 2.02 hectares	Refer to note (4)
42.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 454426, PTD 188732, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Pump house used as utility building for pumping water for safety purposes as the requirement by BOMBA <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 146.78 sq. m. <u>Land area:</u> 0.70 hectares	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
43.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 622848, PTD 248231, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Port Safety and Security Department Building used as office area <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 1,093.55 sq. m. <u>Land area:</u> 4,635 sq. m.	Refer to note (4)
44.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> H.S.(D) 622849, PTD 248232, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> A piece of land comprising of: 1. Surau used as a prayer facility 2. Johor Port Skills Centre used as training room <u>Period of lease:</u> 60 years commencing from 1 January 1993 to 31 December 2052	<u>Built-up area:</u> 1,796.14 sq. m. <u>Land area:</u> 3,249 sq. m.	Refer to note (4)
45.	<u>Lessor:</u> JPA <u>Lessee:</u> JPB <u>Title:</u> PN 61072, Lot 195180, Mukim Plentong, Daerah Johor Bahru, Negeri Johor <u>Postal address:</u> Johor Port Berhad, 81700 Pasir Gudang, Johor	<u>Description and existing use:</u> Pump house used as utility building for pumping water for safety purposes as the requirement by BOMBA <u>Period of lease:</u> 52 years 6 months commencing from 1 July 2000 to 31 December 2052	<u>Built-up area:</u> 162.75 sq. m. <u>Land area:</u> 8,094 sq. m.	Refer to note (4)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
NMB				
46.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of HS(D) 31134, PT 13728, Mukim Kapar, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> 1. Warehouses known as C3, C4, C5, E1 and E2 used for storage spaces that are rented to customers 2. Sub-stations known as "Main Intake CT2 (Sub-station 33 11 KV)", "Sub-station CT2 (Sub-station 8 11KV)" and "Sub-station CT2 (Sub-station 8 NPCT)" to support container terminals, conventional cargo operations, and overall port structure 3. Workshops garages known as "RTG Workshop Garage H Block" and "RTG Workshop Garage G Block" used for the maintenance, repair, and storage of RTGs and other port handling equipment 4. Gate known as "CCT Gate" used for the maintenance, repair, and storage of RTGs and other port handling equipment <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 240,307 <u>Land area:</u> 102.3 acres	6,958,468.00 ⁽⁵⁾
47.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> HS(D) 31135, PT 13729, Mukim Kapar, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> 1. Sub-station known as "Sub-station CT2 (Sub-station 18 NPCT)" to support container terminals, conventional cargo operations, and overall port infrastructure 2. Gate known as "CT2 Gate" used as an access control point for entry and exit of cargo trucks and port vehicles into the container terminal area <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 9,770 <u>Land area:</u> 55 acres	3,611,003.00 ⁽⁵⁾
48.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB	<u>Description and existing use:</u> 1. Warehouses known as "B1" and "C2" used for storage spaces that are rented to customers 2. Offices known as "Wisma A", "Wisma B", "Wisma C" and "ITT Office" utilised for administrative and operational functions by Northport and its subsidiaries.	<u>Built-up area:</u> 217,317 <u>Land area:</u> 204.06 acres	12,499,421.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> Part of HS(D) 24617, PT 11690, Mukim Kapar, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	Rest rooms known as "Office & Operator Rest Room CT1", "RTG Operator CT1 Rest Room & Surau", "PM Operator Rest Room & Surau Bridge 2", "PM Operator Rest Room & Surau H Block", "RS Operator Rest Room", "Surau Al-Falah", "PM Refueller CT1 Office" used as staff rest areas and prayer rooms to support daily port operations 3. Gates known as "Kastam Scanner Office Gate CT1", "Gate FCZ Jalan Parang" used for customs inspection, scanning of containers, and regulating access into the Free Commercial Zone (FCZ) <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043		
49.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> HS(D) 24616, PT 11689, Mukim Kapar, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> - Warehouses known as F1, F2, F3, F4, F5, F6, F7, F8 and F9 used for Storage spaces that are rented to customers - Sub-station known as "Sub-station CT2 (Sub-station 19 Pencawang Elektrik 1 Tingkat)" to support container terminals, conventional cargo operations, and overall port infrastructure - Gate known as "Gate F CT2", is used as a main access control point for vehicles and personnel entering and exiting the container terminal <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 504,916 <u>Land area:</u> 198.18 acres	12,756,969.50 ⁽⁵⁾
50.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> H.S.(D) 77833, PT Plot 4, Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Rest rooms known as "Marine Rest Room Wharf 8A", "Sports & Recreation Clubs Building" used as rest and welfare facilities for port personnel. <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 4,187 <u>Land area:</u> 2.6 acres	318,109.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
51.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> PN 110068, Lot 41030, Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> 1. Office known as "One Stop Centre", is used for administrative purposes and to facilitate customer-related services. The One Stop Centre houses the Commercial Department, Customer Services Department, and Documentation Centre, serving as a centralised hub for customer-related operations 2. Gate known as "CT1 Gate" used as an access control point for entry and exit of cargo trucks and port vehicles into the container terminal area <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 29,514 <u>Land area:</u> 16.46 acres	1,315,028.00 ⁽⁵⁾
52.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of PN 97837, Lot 15 Seksyen 8, Bandar Port Swettenham, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> One office and three warehouses used for recreational area, boat repair and maintenance The buildings and structures that are located on this piece of land were rented out to third party <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 8,193.17 <u>Land area:</u> 5.05 acres	443,223.00 ⁽⁵⁾
53.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB	<u>Description and existing use:</u> Oil tankers and office buildings used for operations related to liquid bulk cargo handling and storage services The buildings and structures that are located on this piece of land were rented out to third party	<u>Built-up area:</u> 43,670.91 <u>Land area:</u> 31.02 acres	2,298,637.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> Part of PN 5007, Lot 4 Seksyen 4, Bandar Port Swettenham, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043		
54.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of G.N 2432/1937 Lot 24 Seksyen 16, Plan No. 14,719, Town of Port Swettenham, District of Klang, State of Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> 1. Warehouses known as A1, A2, A3, A4, A5, A6, A7 and A8 used for storage spaces that are rented to customers 2. Offices known as "Operation Office Southpoint 1" and "Portpass Office" are used as operations and administrative offices to support port activities at Northport and Southpoint <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 384,597 <u>Land area:</u> 48.35 acres	4,232,580.00 ⁽⁵⁾
55.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> G.N 4055/2015, Lot 20 Seksyen 16, Bandar Port Swettenham, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Gate known as "Southpoint Gate" used as a controlled entry and exit point for vehicles and personnel accessing the Southpoint terminal <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 26,884 <u>Land area:</u> 0.81 acres	81,191.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
56.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of G.N 308/1909, Lot 3 Seksyen 8, Bandar Port Swettenham, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Two warehouses used for boat repair, maintenance and storage The buildings that are located on this piece of land were rented out to third party <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 30,578.12 <u>Land area:</u> 1.29 acres	210,298.00 ⁽⁵⁾
57.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> PN 114162, Lot 104, Mukim Klang (formerly H.S.(D) 78822, PT95615), Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> 1. Wharves known as 1, 2, 3, 4, 5, 6, 7 and 7A as part of NMB's business operations, facilitating maritime logistics and cargo handling 2. Office known as "Operation Office Southpoint 2" used for port operations coordination, monitoring of cargo handling activities, and administrative functions related to Southpoint terminal operations. <u>Period of lease:</u> 25 years 9 months 7 days commencing from 24 February 2018 to 30 November 2043	<u>Built-up area:</u> 169,048 <u>Land area:</u> 7.11 acres	4,963,385.74 ⁽⁵⁾⁽⁶⁾
58.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB	<u>Description and existing use:</u> Wharf as part of NMB's business operations, facilitating maritime logistics and cargo handling <u>Period of lease:</u> 30 years commencing from 1 December 2013 to 30 November 2043	<u>Built-up area:</u> 13,411.83 <u>Land area:</u> 0.31 acres	Refer to note (6)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> PN 114151, Lot 105, Mukim Klang, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia			
59.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of G.N. 397/2014, Lot 66240, Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> - Wharves known as 8, 8A, 9, 10, 11, 12, 13, 14, 15, 16, and 17 as part of NMB's business operations, facilitating maritime logistics and cargo handling - Offices known as "Container Operation Office Wharf 8A", "QC Operator", "Stowage Controller & PM Rest Room Wharf 9", "Surau Wharf 9 & Rest Room", "Lashing Gang/Operator Rest Room Wharf 10", used for container terminal operations, including administrative work, equipment control, stowage coordination, rest areas for port operators and lashing gangs, and surau facilities for prayer <u>Period of lease:</u> 29 years 5 months 25 days commencing from 5 June 2014 to 30 November 2043	<u>Built-up area:</u> 2,093,102 <u>Land area:</u> 54.23 acres	16,787,237.50 ⁽⁵⁾
60.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> G.N. 2257/2014 Lot 100138, Plan No. P.A. 209650, Town of Bandar Sultan Sulaiman, State of Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Wharves known as 18, 19, 20, 21, 22, 23, 24 and 25 as part of NMB's business operations, facilitating maritime logistics and cargo handling <u>Period of lease:</u> 29 years 5 months 25 days commencing from 5 June 2014 to 30 November 2043	<u>Built-up area:</u> 712,119 <u>Land area:</u> 16.08 acres	16,153,016.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
61.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of H.S.(D) 165821, PT 66359, Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Sub-station known as "Sub-station CT2 (Sub-station 13 NPCT)" used to support container terminals, conventional cargo operations, and overall port infrastructure <u>Period of lease:</u> 22 years 7 months 28 days commencing from 2 April 2021 to 30 November 2043	<u>Built-up area:</u> 3,500 <u>Land area:</u> 24.26 acres	4,637,600.00 ⁽⁵⁾
62.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> H.S.(D) 166436, PT 66361 Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Office known as "Marine Building" for administrative and operational functions <u>Period of lease:</u> 22 years 3 months 8 days commencing from 23 August 2021 to 30 November 2043	<u>Built-up area:</u> 30,268 <u>Land area:</u> 0.53 acres	178,200.00 ⁽⁵⁾
63.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of H.S.(D) 164374, PT 155839 Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor	<u>Description and existing use:</u> Parking area for Customs Office <u>Period of lease:</u> 23 years 4 months 24 days commencing from 7 July 2020 to 30 November 2043	<u>Built-up area:</u> Nil <u>Land area:</u> 2.61 acres	797,500.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
64.	<u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia <u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of G.N 4621/2016, Bandar Port Swettenham, Daerah Klang, Negeri Selangor comprising: (i) Lot 62 Seksyen 16 (ii) Lot 63 Seksyen 16 (iii) Lot 64 Seksyen 16 <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Liquid Tank used for operations related to liquid bulk cargo handling (including the blending of straight asphalt with additives to produce polymer modified asphalt) and storage services The buildings and structures that are located on this piece of land were rented out to third party <u>Period of lease:</u> 26 years 9 months 28 days commencing 2 February 2017 to 30 November 2043	<u>Built-up area:</u> 44,164.54 <u>Land area:</u> (i) Lot 62 Seksyen 16: 0.99 acres (ii) Lot 63 Seksyen 16: 10.66 acres (iii) Lot 64 Seksyen 16: 0.22 acres	817,960.00 ⁽⁵⁾
65.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> Part of G.N 4621/2016, Lot 13 Seksyen 16, Bandar Port Swettenham, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> One warehouse used for the operations relating to ship repair and maintenance as well as other activities agreed by sub-lessor and sub-lessee The building that is located on this piece of land were rented out to third party <u>Period of lease:</u> 26 years 9 months 28 days commencing 2 February 2017 to 30 November 2043	<u>Built-up area:</u> 4,562.07 <u>Land area:</u> 1.94 acres	151,250.00 ⁽⁵⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
66.	<u>Lessor:</u> PKA <u>Lessee:</u> NMB <u>Title:</u> G.N 313/2017, Bandar Port Swettenham, Daerah Klang, Negeri Selangor comprising: (i) Lot 10516 Seksyen 16 (ii) Lot 10517 Seksyen 16 (iii) Lot 10518 Seksyen 16 <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Five warehouses and five office buildings used for operations relating to the activities of liquid bulk handling, storage services, Kelkay Bulking Installation, latex shipment, handling documentation and clearance of shipment Several buildings and structures that are located on this piece of land were rented out to third parties. <u>Period of lease:</u> 26 years 9 months 28 days commencing 2 February 2017 to 30 November 2043	<u>Built-up area:</u> 51,157 <u>Land area:</u> (i) Lot 10516 Seksyen 16: 0.39 acres (ii) Lot 10517 Seksyen 16: 2.21 acres (iii) Lot 10518 Seksyen 16: 0.02 acres	245,630.00 ⁽⁵⁾
Northport Distripark				
67.	<u>Lessor:</u> PKA <u>Lessee:</u> Northport Distripark <u>Title:</u> Part of HS(D) 31134, PT 13728, Mukim Kapar, Daerah Klang, Negeri Selangor⁽³⁾ <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Warehouses known as D1, D2, D3 and D4 used as storage spaces that are rented to customers <u>Period of lease:</u> 53 years 4 months 10 days commencing 13 November 2001 to 23 March 2055	<u>Built-up area:</u> 576,274 <u>Land area:</u> 27.7 acres	291,691.86

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
68.	<u>Lessor:</u> PKA <u>Lessee:</u> Northport Distripark <u>Title:</u> Part of HS(D) 24617, PT 11690, Mukim Kapar, Daerah Klang, Negeri Selangor ⁽³⁾ <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Warehouses known as D5, D6 and D7 used for storage spaces that are rented to customers <u>Period of lease:</u> 53 years 4 months 10 days commencing 13 November 2001 to 23 March 2055	<u>Built-up area:</u> 393,162 <u>Land area:</u> 23.57 acres	248,213.89
PPSB				
69.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 7996, Plot A Seksyen 23, Bandar Georgetown, Daerah Timor Laut, Pulau Pinang <u>Postal address:</u> Pangkalan Raja Tun Uda, 10300 George Town, Pulau Pinang	<u>Description and existing use:</u> Terminal known as PRTU comprising, among others ⁽⁸⁾ , single-storey delivery operation office, double-storey terminal building for ferry operation, sub-station, 13 units of shoplots and surau <u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 27,567.42 sq. m. <u>Land area:</u> 11,153.85 sq. m.	Refer to note (7)
70.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 7997, part of Lot 251 Seksyen 23, Bandar Georgetown, Daerah Timor Laut, Pulau Pinang	<u>Description and existing use:</u> 20 units of single storey shoplots which are rented out to tenants for commercial purposes <u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 179.64 sq. m. <u>Land area:</u> 3,546.94 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Postal address:</u> Pangkalan Raja Tun Uda, 10300 George Town, Pulau Pinang			
71.	<u>Lessor:</u> PPC	<u>Description and existing use:</u> Open space that are being used for ferry entrance	<u>Built-up area:</u> N/A	Refer to note (7)
	<u>Lessee:</u> PPSB	<u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Land area:</u> 5,613 sq. m.	
	<u>Title:</u> PN 265, part of Lot 604 Seksyen 23, Bandar Georgetown, Daerah Timor Laut, Pulau Pinang			
	<u>Postal address:</u> Pangkalan Raja Tun Uda, 10300 George Town, Pulau Pinang			
72.	<u>Lessor:</u> PPC	<u>Description and existing use:</u> Two storey buildings which are currently unoccupied	<u>Built-up Area:</u> 16,171.57	Refer to note (7)
	<u>Lessee:</u> PPSB	<u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Land Area:</u> 8,477.87 sq. m.	
	<u>Title:</u> H.S.(D) 7998, Lot 254 Seksyen 23, Bandar Georgetown, Daerah Timor Laut, Pulau Pinang			
	<u>Postal address:</u> Pangkalan Raja Tun Uda, 10300 George Town, Pulau Pinang			
73.	<u>Lessor:</u> PPC	<u>Description and existing use:</u> A terminal known as PSAH comprising, among others, a double-storey terminal building for ferry operation, operation office and pedestrian walkway	<u>Built-up area:</u> 2583.72 sq. m.	Refer to note (7)
	<u>Lessee:</u> PPSB		<u>Land area:</u> 10,549 sq. m.	

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> PN 9784, Lot 9774 Seksyen 4 Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Pangkalan Sultan Abdul Halim, Jalan Bagan Dalam, 12100 Butterworth, Pulau Pinang	<u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041		
74.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 9785, Lot 9776 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Pangkalan Sultan Abdul Halim, Jalan Bagan Dalam, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Sub-station built to facilitate the ferry operation activities <u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 33.01 sq. m. <u>Land area:</u> 2,115 sq. m.	Refer to note (7)
75.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 1442, Lot 2717 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Pangkalan Sultan Abdul Halim, Jalan Bagan Dalam, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Platform built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 207.61 sq. m. <u>Land area:</u> 17,534 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
76.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S. (D) 9813, Plot A Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Butterworth Deep Water Wharves, Administration Building 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A piece of land located at BDWW, comprising, among others: - Nine single storey warehouses known as "Godown A2, A1, W1, C2, E3, F2, G2, D2, H2", a fire station, four sub-stations, two platforms known as "Berth No 1/2/3/4/5/6 and Berth Tanker Pier", fuel house and custom scanner a VOTP compressor room and offices - Two warehouses known as "Godown W4 and C.F.S." and a double storey marine building comprising, a hostel, rest area and an administrative office - Single storey warehouses known as "Godown W2 and Godown W3", and gates at the security office <u>Period of lease:</u> Ferry Area: 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041 Remaining land area: 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 225,618.28 sq. m. <u>Land area:</u> 578,119.61 sq. m., of which 30,189.55 sq. m. is the ferry area	Refer to note (7)
77.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 10871, PT 321 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Butterworth Deep Water Wharves, Administration Building, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> An offshore berthing structure named as "Dolphin Berth" utilised for VOTP operations with a VOTP compressor room for the storage, handling and transfer and transport vegetable oils <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 495.49 sq. m. <u>Land area:</u> 3,089.03 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
78.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 10872, PT 322 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pualu Pinang <u>Postal address:</u> Butterworth Deep Water Wharves, Administration Building, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A marine structure named as "mooring dolphin" used to secure vessels away from the shore <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 20.90 sq. m. <u>Land area:</u> 20.90 sq. m.	Refer to note (7)
79.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN9796, Lot 9805 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Butterworth Deep Water Wharves, Administration Building, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A terminal known as BDWW comprising of a double storey building sub-leased by PPC to PPC's customers for storage purposes <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 20,181.3 sq. m. <u>Land area:</u> 20,181.3 sq. m.	Refer to note (7)
80.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB	<u>Description and existing use:</u> A piece of land located at BDS comprising, among others ⁽⁹⁾ , offices and the employees' common facility	<u>Built-up area:</u> 8,995.82 sq. m. <u>Land area:</u> 83,814 sq. m., of which 28,848.73 sq. m. is the ferry area	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> GRN 48976, part of Lot 2234 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Bagan Dalam Slipway, Jalan Assumption, 12100 Butterworth, Pulau Pinang	<u>Period of lease:</u> Ferry Area: 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041 Remaining land area: 21 November 2013 to 31 December 2041		
81.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 9798, Lot 9778 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> Bagan Dalam Slipway, Jalan Assumption, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A piece of land located at BDS comprising of a rectifier room, welding set room, a single storey pump house and slipway no. 3 that are currently unoccupied <u>Period of lease:</u> 21 November 2013 to 30 April 2018, and 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 2,848.20 sq. m. <u>Land area:</u> 5,567 sq. m.	Refer to note (7)
82.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 31785, part of PT 54, Mukim 01, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> A piece of land at PBCT comprising, among others, single storey workshop, five single storey warehouses, four sub-stations, three single storey pump houses, a double storey administrative office and platform known as "Berth No.2" built along the shore where ships berth to load or discharge goods <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 80,945.89 sq. m. <u>Land area:</u> 175,173.27 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
83.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 10919, Lot 5303, Mukim 01, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> A piece of land at PBCT comprising, among others, five single-storey warehouses, single-storey fire station office building and an administration office building, a sub-station and a single-storey pump house <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 25,990.38 sq. m. <u>Land area:</u> 129,093 sq. m.	Refer to note (7)
84.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 42208, PT 3191, Mukim 01, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> A piece of land at PBCT comprising of a single-storey warehouse known as "Godown 11" for storage, pump house known to house pumps and related equipment to move water, or other liquids through pipelines <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 10,506.19 sq. m. <u>Land area:</u> 89,030.83 sq. m.	Refer to note (7)
85.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 56678, Lot 8045, Bandar Prai, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> A piece of land at PBCT comprising of a platform known as "DG Berth" which is built along the shore where ships berth to load or discharge goods, and a single-storey pump house at DG Berth <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 12,789.75 sq. m. <u>Land area:</u> 9,000.21 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
86.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 36634, PT 1535, Mukim 01, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> Platform known as "Berth No. 1" which is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 17,563.36 sq. m. <u>Land area:</u> 5,449.82 sq. m.	Refer to note (7)
87.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 36636, PT 1536, Mukim 01, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> By-pass bridge <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 503.94 sq. m. <u>Land area:</u> 1,224.96 sq. m.	Refer to note (7)
88.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 10916, Lot 6047, Bandar Prai, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> Access bridge <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 13,505.46 sq. m. <u>Land area:</u> 13,251 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
89.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 28145, PT 4, Bandar Prai, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Bulk Cargo Terminal, Lorong Perusahaan 2, 13600 Prai, Pulau Pinang	<u>Description and Existing use:</u> An open space where part of the land comprises a swampy area that remains unused, while the remaining portion has been subleased to a third party for the operation of a gas tank facility <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 6,206.37 sq. m. <u>Land area:</u> 85,023.78 sq. m.	Refer to note (7)
90.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 7942, PT 370 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A piece of land located at NBCT comprising, among others, offices, a single-storey sub-station, a stacking container and single-storey building for storage, a single storey custom examination bay, an access bridge connected to NBCT <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 190,411.61 sq. m. <u>Land area:</u> 446,380 sq. m.	Refer to note (7)
91.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 29563, PT 704, Seksyen 4, Bandar Butterworth, Seberang Perai Utara	<u>Description and existing use:</u> A piece of land located at NBCT comprising, among others, an expansion wharf and platform named "T1", a single-storey sub-station, a single-storey pump house and an access bridge connected to NBCT <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 143,240.06 sq. m. <u>Land area:</u> 166,567.4 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang			
92.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> PN 13517, Lot 10089 Seksyen 2, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> This is a piece of land located at NBCT comprising of four single-storey sub-stations <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 1,174.65 sq. m. <u>Land area:</u> 266,000 sq. m.	Refer to note (7)
93.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 29524, PT 703, Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> A piece of land located at NBCT comprising, a single-storey sub-station <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 708.78 sq. m. <u>Land area:</u> 20,794 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
94.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 29525, PT 685, Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Platform located at NBCT which is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 14,142 sq. m. <u>Land area:</u> 14,142 sq. m.	Refer to note (7)
95.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 29528, PT 687, Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Platform located at NBCT which is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 6,032 sq. m. <u>Land area:</u> 6,032 sq. m.	Refer to note (7)
96.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 35624, PT 764 Seksyen 4, Bandar Butterworth, Seberang Perai Utara, Pulau Pinang	<u>Description and existing use:</u> Platform which is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 11,359.04 sq. m. <u>Land area:</u> 11,359.04 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang			
97.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 29526, PT 702, Seksyen 4, Bandar Butterworth, Seberang Perai Utara Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Foreshore ("Tanah laut") where vessels are moored or docked for loading and unloading of cargo <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> Nil <u>Land area:</u> 16,940 sq. m.	Refer to note (7)
98.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 35625, PT 765, Bandar Butterworth, Seksyen 4, Seberang Perai Utara, Pulau Pinang <u>Postal address:</u> North Butterworth Container Terminal, Wisma Kontena Butterworth Utara, Jalan Datuk Haji Ahmad Said, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> Access bridge connected to NBCT <u>Period of lease:</u> 1 January 2021 to 31 December 2041	<u>Built-up area:</u> 9,989.89 sq. m <u>Land area:</u> 9,899 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
99.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 9410 , Part of Lot 53, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> This piece of land located at SPCT comprising of an administrative building, a firefighting station, auxiliary police station, properties that are currently unoccupied such as four warehouses (known as "Godown 2, 3, 4, 6") and one operation office <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 13,749.17 sq. m. <u>Land area:</u> 17,306.91 sq. m.	Refer to note (7)
100.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 19984, PT 6, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> This piece of land located at SPCT comprising of a double-storey office building and platform where ships berth to load or discharge goods <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 40,290.32 sq. m. <u>Land area:</u> 15,993 sq. m.	Refer to note (7)
101.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 20020, PT 7 Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> Platform that is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 871.5 sq. m. <u>Land area:</u> 871.5 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
102.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 20021, PT 8 Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> Platform that is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 4,476.8 sq. m. <u>Land area:</u> 4,476.8 sq. m.	Refer to note (7)
103.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 20022, PT 9, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> Platform that is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 66.4 sq. m. <u>Land area:</u> 66.4 sq. m.	Refer to note (7)
104.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 20023, PT 10, Seksyen 24 Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> Platform that is built along the shore of a harbour where ships berth to load or discharge goods <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 153.6 sq. m. <u>Land area:</u> 153.6 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
105.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 23726, Lot 9, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description</u> An area designated for entrance and pedestrian access by cruise passengers, including associated walkways <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> N/A <u>Land area:</u> 72.83 sq. m.	Refer to note (7)
106.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 23727, Lot 10, Seksyen 24 Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description</u> An area designated for entrance and pedestrian access by cruise passengers, including associated walkways <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> N/A <u>Land area:</u> 1.77 sq. m.	Refer to note (7)
107.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 23728, Lot 42, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> This plot of land is used as an access for passenger cruise <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> N/A <u>Land area:</u> 149.48 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
108.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 9406, Lot 49, Seksyen 24 Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> Access walkway to embark and disembark from SPCT <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> N/A <u>Land area:</u> 15.39 sq. m.	Refer to note (7)
109.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 26683, Lot 20, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang	<u>Description and existing use:</u> A swimming pool that currently not in occupation <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> 122.85 sq. m. <u>Land area:</u> 211.91 sq. m.	Refer to note (7)
110.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB	<u>Description and existing use:</u> Vacant lands currently not in use <u>Period of lease:</u> 4 December 2021 to 31 December 2041	<u>Built-up area:</u> N/A <u>Land area:</u> The following are the respective land areas for each piece of land: (1) 119.66 sq. m. (2) 97.92 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
	<u>Title:</u> The following are land titles for vacant lands in SPCT: (1) GRN 33120, Lot 43, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang (2) GRN 52730, Lot 45, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang (3) GRN 26685, Lot 46, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang (4) GRN 33121, Lot 47, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang (5) GRN 9408, Lot 51, Seksyen 24, Bandar Georgetown, Daerah Timur Laut, Pulau Pinang <u>Postal address:</u> Swettenham Pier Cruise Terminal, Pesara King Edward, 10300 Georgetown, Pulau Pinang		(3) 415 sq. m. (4) 99.87 sq. m. (5) 451.7 sq. m.	
111.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> H.S.(D) 28522, Lot 10058, Bandar Prai, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Wharf, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> A piece of land located at PW comprising, among others, a sub-station, platform and offices consisting of customs and security office as well as clerk office <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 19,548 sq. m. <u>Land area:</u> 139,698 sq. m.	Refer to note (7)

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
112.	<u>Lessor:</u> PPC <u>Lessee:</u> PPSB <u>Title:</u> GRN 161024, Lot 10057, Bandar Prai, Seberang Perai Tengah, Pulau Pinang <u>Postal address:</u> Prai Wharf, 13600 Prai, Pulau Pinang	<u>Description and existing use:</u> Toilet located at PW <u>Period of lease:</u> 21 November 2013 to 31 December 2041	<u>Built-up area:</u> 31.67 sq. m. <u>Land area:</u> 26,050 sq. m.	Refer to note (7)
TBPSB				
113.	<u>Lessor:</u> MPA <u>Lessee:</u> TBPSB <u>Title:</u> PM 175, Lot 15801, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka <u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka	<u>Description and existing use:</u> A single parcel of land comprising: 1. Trestle used as a connection between the shore and berthing areas 2. Jetty 3. Single-storey office building for operation purposes <u>Period of lease:</u> 30 years lease expires on 19 November 2046	<u>Built-up area:</u> 8,565 <u>Land area:</u> 127,111	1,188,429.51 ⁽¹⁰⁾
114.	<u>Sub-lessor⁽¹¹⁾:</u> MPA <u>Sub-lessee:</u> TBPSB <u>Title:</u> Lot 2331, GRN 7033, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka <u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka	<u>Description and existing use:</u> A single parcel of land comprising: 1. Double-storey office building used as an office space for administration purposes 2. Four single-storey warehouse buildings for storage spaces and storage spaces rented out to a third party <u>Period of lease:</u> 30 years lease expires on 19 November 2046	<u>Built-up area:</u> 260,031 <u>Land area:</u> 512,277	389,207.61 ⁽¹⁰⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
115.	<u>Sub-lessor⁽¹²⁾:</u> MPA <u>Sub-Lessee:</u> TBPSB <u>Title:</u> PM 174, Lot 15800, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka <u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka	<u>Description and existing use:</u> Jetty <u>Period of lease:</u> 30 years lease expires on 19 November 2046	<u>Built-up area:</u> N/A <u>Land area:</u> 13,089	2,447.85 ⁽¹⁰⁾
116.	<u>Sub-lessor⁽¹¹⁾:</u> MPA <u>Sub-lessee:</u> TBPSB <u>Title:</u> GM 22, Lot 2561, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka <u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka	<u>Description and existing use:</u> Vacant land currently not in use <u>Period of lease:</u> 30 years lease expires on 19 November 2046	<u>Built-up area:</u> N/A <u>Land area:</u> 20,010.11	9,791.39 ⁽¹⁰⁾
117.	<u>Sub-Lessor⁽¹¹⁾:</u> MPA <u>Sub-lessee:</u> TBPSB <u>Title:</u> GM 23, Lot 2562, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka <u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka	<u>Description and existing use:</u> Oil tank storage facility with a single-storey office building, 3 storage tanks, pipelines, loading stations, pump stations, receiving jetty, launcher jetty, security post and open shade roof, all of which is rented out to a third party <u>Period of lease:</u> 30 years lease expires on 19 November 2046	<u>Built-up area:</u> 87,120 <u>Land area:</u> 136,486	69,763.63 ⁽¹⁰⁾

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)**Notes:**

- (1) Pursuant to the terms of the PTP Lease Agreement, a total lease rental of approximately RM806.9 million is required to be paid by PTPSB to JPA during the concession period, taking into account an increment at the rate of 10.0% per annum of the preceding annual lease rental for every five years from 2010 onwards.
- (2) The buildings and structures used for warehousing and related activities are located in Distripark A on plots 4, D8, D10, D11, D12, D13, D16, D18, D19, DW1, DW2, DW3, DW4 and DW5, and in Distripark B on plots 3, D22, D25A, D25B, D28A to D, D28-F2, D25C, D28E, D30, D31, D37A, D37B, D37C, D40 and D44. The on-dock depot services are located in Distripark A on plots 1, 2, 3, 4 and 2A. Manufacturing activities are conducted in Distripark A on plots CP3B, CP3D, CP1, D20, D21, D02, D03, D04, D05 and D06, in Distripark B on plot D28F-1, D26, D23, D32, D33, D34, D35, D27, D36, D38C and D39 and facilities for processing, packaging, and storing chilled and frozen foods are on plot D01. Buildings used for high grade metal manufacturing and recycling activities in Distripark B are situated on plot D23, and a dormitory is located on PTD 2425. Shoplots at PTP's Seamen Centre are rented out to various third parties for retail purposes, including a coffeehouse and barber services. Cabin offices are located on Slot C1, C4(a), C5, C7, C8, C9, C10, C17, C18, C19(a), C20, C21, C22, C23, C24, C25, C26, C27, C28, C31, C32, C33, C34(b), C35, C36, C37, C39, C40, C41, C42, C43 and C44, in PTP cabin park within Distripark A are also being rented out to tenants.
- (3) Refers to material properties leased/tenanted by our Group from the port authorities which are non-concession lands.
- (4) Pursuant to the terms of the Johor Port Lease Agreement, the annual rental sum is subject to an increment of ten percent (10.0%) every five years, calculated based on the preceding annual rental sum. Based on the land lease rental projections, the annual rental for the year 2025 are RM23,191,344.00 for Land I and RM41,773.26 for Land II.
- (5) Pursuant to the terms of the Northport Lease Agreement, the annual rental sum is subject to an increment of ten percent (10.0%) every three years, calculated based on the preceding annual rental sum. The annual rental stated is for the period of 2025.
- (6) There is only one annual rental payment amount for both parcels of land under the Northport Lease Agreement (for PN 114151, Lot 105 Mukim Klang and PN 114162, Lot 104 Mukim Klang) dated 13 December 2019 and the supplemental lease agreement dated 22 March 2023.
- (7) The annual rental and threshold rent charged for these lands are set out below:

<u>Period</u>	<u>Annual rental</u>	<u>Area / Terminal</u>
(i) From 4 December 2021 to 31 December 2041	RM5.956 million subject to an increase once every three years at the rate of 10.0% of the preceding rent	SPCT
(ii) From 1 January 2024 to 31 December 2041	RM18,673,800.00	Cargo area - BDWW, BDS, PBCT, NBCT, PW Ferry area - PRTU, PSAH, BDS, BDWW
(iii) From 1 January 2024 until 31 December 2041	RM439,663.55 in year 2023	Both cargo and ferry area

- (8) The land also comprises several buildings and structures that are currently unoccupied, including an operations office, a two-storey former terminal building and two-storey building.

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT *(Cont'd)*

- (9) *The land also comprises several buildings and structures that are currently unoccupied, including amongst others, a single storey surau, offices, a canteen, a warehouse known as "Godown A", shoplots and store, five workshops, tanks, a sub-station, a pump house, a cabin, slipway no.1 and 2, approach jetty slipway no.1 (North and South side) and a lay by jetty.*
- (10) *Pursuant to the terms of the lease and sub-lease agreements between MPA and TBPSB, the annual rental sum is subject to an increment of ten percent (10.0%) every three years, calculated based on the preceding annual rental sum. The annual rental stated is for the period of 2025.*
- (11) *The registered owner of this land is the Federal Commissioner of Lands.*
- (12) *The registered owner of this land is the PKA.*

None of the material properties leased/sub-leased or tenanted by our Group from the port authorities are in breach of any of the land use conditions or current applicable laws, rules and building regulations.

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ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)**C.3 Material properties leased/ tenanted by our Group from third parties (other than the port authorities)**

Details of the material properties leased/sub-leased or tenanted by our Group from third parties are as set out below.

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Date of issuance CCC or equivalent	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
1.	<u>Landlord:</u> Penang Sentral Sdn Bhd <u>Tenant:</u> PPSB <u>Title:</u> H.S.(D) 35597, P.T. 770, Seksyen 4, Bandar Butterworth, Daerah Seberang Perai Utara, Negeri Pulau Pinang <u>Postal address:</u> Level 5 of the Complex known as Penang Sentral located at No. 5130, Terminal Pengangkutan Penang Sentral, Jalan Bagan Dalam, Bagan Dalam, 12100 Butterworth, Pulau Pinang	<u>Description and existing use:</u> An integrated complex consisting of a shopping complex, a transportation hub and a parking complex known as "Penang Sentral" where PPSB rented Level 5 of the Complex to be used as office <u>Period of tenancy:</u> 16 November 2023 to 15 November 2026	27 March 2018	<u>Built-up area:</u> 4,952.85 sq. m. <u>Land area:</u> 39,991.00 sq. m.	211,115.52
2.	<u>Lessor:</u> AXIS Real Estate Investment Trust <u>Lessee:</u> NMB <u>Title:</u> H.S.(D) 77831, Plot 19, Mukim Bandar Sultan Sulaiman, Daerah Klang, Negeri Selangor <u>Postal address:</u> Northport (Malaysia) Bhd, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor Darul Ehsan, Malaysia	<u>Description and existing use:</u> Warehouses identified as K7 and K10 used for space rented to customers <u>Period of lease:</u> 26 years lease expires 30 November 2043	18 August 2008	<u>Built-up area:</u> 337,984 <u>Land area:</u> 715,262	6,113,492.00

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

No.	Name of lessor/ lessee or landlord/ tenant or sub-tenant/ Lot No./ Postal address	Description of property/ Existing use/ Period of tenancy or lease	Date of issuance CCC or equivalent	Built-up area/ Land area (approximate) (sq. ft. unless otherwise stated)	Annual rental (RM)
3.	<u>Sub-landlord⁽¹⁾:</u> Kumpulan Melaka Berhad	<u>Description and existing use:</u> Vacant land currently not in use	N/A	<u>Built-up area:</u> N/A	614,718.72 ⁽²⁾
	<u>Sub-tenant:</u> TBPSB	<u>Period of lease:</u> 30 years (expiring on 30 March 2055)		<u>Land area:</u> 256,160.29	
	<u>Title:</u> Lot 15769, PM 171, Mukim Tanjong Kling, Daerah Melaka Tengah, Melaka				
	<u>Postal address:</u> Tanjung Bruas Port, 76400, Tanjung Kling, Melaka				

Notes:

- (1) The registered owner of this land is the Chief Minister of Malacca (Incorporated).
- (2) The annual rental sum is subject to an increment of ten percent (10.0%) every three years, calculated based on the preceding annual rental sum. The annual rental stated is for the period of 2025.

None of the material properties that we leased/tenanted from third parties are in breach of any of the land use conditions or current applicable laws, rules and building regulations.

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)**C.4 Material tangible fixed assets of our Group**

Details of the material tangible fixed assets used and owned or leased of our Group are set out below.

Material plant and equipment used and owned or leased of our Group

No.	Ports	Description of assets and their usage	Audited NBV as at 31 December 2024 (RM'000)
1.	PTPSB	Includes 57 quay cranes, 199 RTGs, 595 prime movers, 800 trailers and 31 empty stackers, 3 reach stackers ⁽¹⁾ , 3 pilot boats ⁽²⁾ and 8 tugboats ⁽²⁾	1,720,262
2.	NMB	Includes 31 quay cranes, 107 RTGs, 172 prime movers, 177 trailers, 12 empty stackers ⁽³⁾ , 2 level luffing cranes, 11 reach stackers ⁽⁴⁾ , 5 pilot boats ⁽²⁾ and 6 tugboats ⁽²⁾	773,254
3.	JPB	Includes 9 quay cranes, 30 RTGs, 99 prime movers, 341 trailers, 6 empty stackers ⁽⁵⁾ , 4 reach stackers, 5 level luffing cranes, 4 conveyor systems, 1 bulk gantry crane and 1 continuous unloader, 5 pilot boats ⁽²⁾ and 13 tugboats ⁽²⁾	290,683
4.	PPSB	Includes 12 quay cranes, 31 RTGs, 45 prime movers, 113 trailers, 3 reach stackers, 4 empty stackers, 10 rail-mounted gantry cranes, 2 mobile harbour cranes, 3 pilot boats ⁽²⁾ and 4 tugboats ⁽²⁾	198,211
5.	TBPSB	Includes 8 trailers, 2 reach stackers and 1 forklift ⁽⁶⁾	1,891

Notes:

- (1) The three units of reach stackers are leased by PTPSB.
- (2) The pilot boats and tugboats are leased assets.
- (3) There are 12 units of empty stackers, of which 10 units are owned and two units are leased by NMB.
- (4) There are 11 reach stackers, of which six units are owned by NMB, three units are owned by Northport Distripark and two units are leased by NMB.
- (5) The six units of empty stackers are leased by JPB.
- (6) The one unit of forklift is leased by TBPSB.

ANNEXURE C: OUR MATERIAL PROPERTIES, PLANT AND EQUIPMENT (Cont'd)

Port infrastructure and facilities (which includes, amongst others, reclaimed land, wharves, jetties, terminals and paved areas) of our Group under concession

No.	Ports	Description of port infrastructure	Audited NBV as at 31 December 2024 (RM'000)
1.	PTPSB	Capital dredging and reclamation cost, wharves, sub-stations, reefer stacks, container yards, access roads, other ancillary port infrastructures	1,788,111
2.	PPSB	Wharves, access bridges, yards and paved areas, warehouses, administration buildings, access roads, other ancillary infrastructures (i.e. container freight station, substation, water pipelines, workshop and drainage), ferry terminal and four ferries	1,258,549
3.	NMB	Wharves, container yard, conventional yard sub-stations, administration and operation building, access roads and other port infrastructures	641,999
4.	JPB	Wharves, jetties, yards, pipelines, substations, access roads and other port infrastructures	445,832
5.	TBPSB	Wharf and jetty, interlocking pavement, gabion wall, construction of an open yard into container yard, access roads and underground pipeline for fresh water	24,451

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