

FOR IMMEDIATE RELEASE

NORTHPORT ENDS 2021 WITH A RECORD-BREAKING PERFORMANCE

PORT KLANG, 30 December 2021 – Despite battling two perfect storms, namely the COVID-19 pandemic throughout the year, and the recent unprecedented flash floods, which impacted its operations, Northport (Malaysia) Bhd (“Northport”), a member of MMC Group, ended 2021 on a high note with remarkable record-breaking performance.

On 30 December 2021 at 11.15 am, Northport successfully hit a new record with an all-time high container volume in a year after the 3,305,765th container was discharged from the Interasia Horizon vessel, surpassing the previous record of 3,305,764 TEUs (twenty-foot equivalent units) set in 2010. The 2021 throughput to date is 20.7% higher than the 2020 throughput.

The COVID-19 pandemic and implementation of lockdowns by many countries across the world in the year 2021 have had a significant impact on global economic activities and trade. The disruptive effects were felt across a wide range of economic sectors and industries both globally and domestically as lives and livelihoods were affected. The global supply chain was totally disrupted as major ports had either shut down operations or faced exceptionally long vessel delays. Northport’s operations were not spared, initially, but the culmination of efforts to improve its operational efficiency and productivity had helped reduce the impact of the supply chain disruption.

“We had embarked on the “Reinventing Northport” programme since the takeover of Northport by MMC Corporation Berhad group in 2016, which included refocusing our strategy to become a local gateway and Intra-Asia hub, optimizing our operating costs, replacing aging equipment, enhancing our facilities and improving our services and productivity. This had led us to break our highest monthly container handling performance by recording 310,865 TEUs in December last year. We were making steady progress until the pandemic hit us hard,” said Dato’ Azman Shah Mohd Yusof, Chief Executive Officer of Northport.

The major challenge for its operations came at the start of the year when the port experienced heavy congestion at its container yard due to high number of vessel calls, where the discharge of containers from the vessels was more than the loading operation. As was the case with most ports, overstaying transshipment containers became a huge problem as other ports were either closed or facing heavy congestion. Northport faced more than 250 vessel omissions in 2021 as shipping lines realigned their schedules and omitted port calls. The issue was further exacerbated when the movement of import and export containers by hauliers was affected by the implementation of lockdowns by the Malaysian Government. The congestion at Northport’s container yard and gates had resulted in a lower

productivity rate for its container operations, which then led to delays in vessel berthing.

However, Northport was quick to respond to the issue with short, medium and long-term action plans to reduce the congestion. The measures were proven effective as the port's operations recovered in less than one month.

"The ports and logistics industry players came together and did their part, aided by the Government agencies, and led by Port Klang Authority ("PKA"), to bring some semblance of normalcy to Port Klang's operations," Dato' Azman added.

However, just as 2021 was drawing to a successful close, the second perfect storm hit the nation, Port Klang in particular. On 17 December 2021, continuous heavy rain which lasted for several days caused flash floods in several areas in the Klang Valley, the severity of which had not been experienced previously. Klang was among the badly affected districts which caused thousands of its residents to flee their homes and seek shelter at relief centres. Northport was also impacted after more than 500 of its employees were affected by the flash floods.

Northport was quick to spring into action by providing financial assistance to its employees, including the creation of house-cleaning and repair teams to help get their staff back to work again. Northport also extended its support and assistance to the local community through the company's Corporate Social Responsibility initiatives by contributing essential food items to Temporary Relief Centres ("PPS") around Klang as well as providing assistance in kind to the Port Klang Health Office whose clinic was badly affected by the floods.

"Our manpower was severely affected during the aftermath of the flash floods. Even though our port was not badly affected by the floods, most of our staff could not come to work as the access roads to the port were closed due to floods. We are thankful to our sister ports, Penang Port and Port of Tanjung Pelepas who sent their personnel to help us at our time of need. Within a week, we were back to normal strength again. We ended the year by breaking a long-standing record, in the face of adversity, against all odds, all because of **teamwork**," Dato' Azman added.

Overall, 2021 ranks as Northport's best year ever with many notable achievements. Northport won the prestigious "Best Port Safety Management Award" from the Ministry of Transport Malaysia on 21 December 2021 which is a testament of its commitment in maintaining a high standard of safety and health practices to protect its employees and port users, particularly during the COVID-19 pandemic.

Earlier in May 2021, Northport successfully handled the highest ever monthly throughput for its conventional cargo segment after handling 1,017,332 FWTs (freight weight tonnes), exceeding its previous record of 968,356 FWTs recorded in August 2013. Southpoint, the 120-year terminal, formerly known as Port Swettenham, recorded more than 2 million FWT of throughput for the first time since 2012, bolstered by the Biomass Logistics Hub cargo.

Another notable achievement for Northport in 2021 was the completion of the acquisition of the Boustead Cruise Centre terminal in Port Klang on a 50:50 joint venture arrangement between Northport and Westports Malaysia Sdn Bhd (“Westports”), which was successfully completed on 23 September 2021. The acquisition is another first in the history of Port Klang when both port operators joined forces to leverage on each other’s expertise and network to reposition the cruise business and realise its true potential for the betterment of Port Klang and the Malaysian economy.

Northport also retained its Green Port status in 2021, when together with PKA and Westports, were awarded the APSN (APEC Port Services Network) Green Port 2020. This is the second time that Northport, PKA and Westports have received the award since it was launched in 2016. The award presentation was held during the Asia-Pacific Economic Cooperation (APEC) Smart Port Development Forum in Qingdou, China on 16th and 17th November 2021. Northport’s green initiatives include the NDSB2 warehouses which was completed in 2021, where the 349,771 sqft new warehouses are equipped with solar panels. Northport’s Port Reception Facilities (“PRF”) which is the collection facility for vessel waste, is the first on-site PRF amongst Malaysian ports, has been operating since last year.

“We are cautiously optimistic on the prospects of 2022 in the face of an uncertain economic outlook, with a new wave of COVID-19 brought about by the new Omicron variant already affecting many countries globally. Nevertheless, we will continue with the next phase of “Reinventing Northport” as we are expanding our yard capacity and buying new equipment to further boost our productivity and achieve more success in the years to come, in our transformational journey to be a Safer, Greener, Smarter and Better port,” concluded Dato’ Azman.



Photo caption: Dato’ Azman Shah Mohd Yusof, Chief Executive Officer of Northport (Malaysia) Bhd (7th from left) with Northport’s business partners during the record-breaking celebration event held at Northport on 30 December 2021.



Photo caption: Dato' Azman Shah Mohd Yusof, Chief Executive Officer of Northport (Malaysia) Bhd (standing at the front) with the senior management and operations staff of Northport during the record-breaking celebration event held at Northport on 30 December 2021.

----- END -----

About Northport (Malaysia) Bhd

Northport (Malaysia) Bhd (Northport) is one of the largest multi-purpose gateway ports of its kind in the national ports system. Northport is grouped under MMC Port Holdings Sdn Bhd (MMC Ports), Malaysia's largest integrated logistics service provider. MMC Ports is a wholly-owned subsidiary of MMC Corporation Berhad, a leading utilities and infrastructure group with diversified businesses under four divisions, namely Ports and Logistics, Energy and Utilities, Engineering, and Industrial Development.

Northport offers dedicated facilities and services to handle a wide variety of cargoes ranging from containers to cars, break bulk cargoes as well as liquid and dry bulk cargoes of all types and shipment sizes.

With a historical tradition dating back more than 100 years, Northport plays an important role in the development of the Malaysian economy and the country's burgeoning international trade.

Northport is the winner of Malaysia's Best Seaport - Outstanding Performance Award presented by the Ministry of Transport Malaysia for two consecutive years, in conjunction with the Malaysia World Maritime Week 2016 and 2017.

Northport holds the distinction of being the first port in Malaysia to be awarded the ISO 45001:2018 and ISO 37001:2016 standards and the winner of the prestigious National Occupational Safety and Health (NCOSH) Award 2019 in the Business Services category.

Enquiries : Please log on to www.northport.com.my or call Azmi Anis, Head of Corporate Communications, Northport (Malaysia) Bhd, Tel: 012 - 3207755 / +603-3169 8776

About MMC Corporation Berhad

MMC Corporation Berhad (“MMC”) is a leading utilities and infrastructure group with diversified businesses under four divisions, namely Ports and Logistics, Energy and Utilities, Engineering, and Industrial Development.

Its key businesses under the Ports and Logistics division include the port operations of Pelabuhan Tanjung Pelepas Sdn Bhd, Johor Port Berhad, Northport (Malaysia) Bhd, Penang Port Sdn Bhd, Tanjung Bruas Port Sdn Bhd and Kontena Nasional Berhad, a logistics provider. Internationally, MMC has presence in Saudi Arabia via Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port.

Under the Energy and Utilities division, MMC is the single largest shareholder of both Malakoff Corporation Berhad, the country’s largest Independent Power Producer and Gas Malaysia Berhad, a total energy solutions provider. Through Aliran Ihsan Resources Berhad, we are a pioneer in wastewater recycling technology and a water treatment specialist.

MMC’s Engineering division has played a leading role for the implementation of the entire project including the underground works package in completing the 51 km Klang Valley Mass Rapid Transit (“KVMRT”) Kajang Line (formerly known as Sungai Buloh-Kajang Line) and is now the main contractor for the entire KVMRT Putrajaya Line (formerly known as Sungai Buloh-Serdang-Putrajaya Line). MMC is also currently, undertaking key civil and infrastructure projects in the country namely Langat Centralised Sewage Treatment Plant and Langat 2 Water Treatment Plant.

Notably, MMC completed the 329 km Ipoh-Padang Besar Electrified Double Tracking Project and the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first of its kind, dual-purpose tunnel in the world.

MMC’s Industrial Development division develops and manages approximately 5,000 acres of industrial developments namely Senai Airport City (“SAC”) and Tanjung Bin Industrial Park (“TBIP”) in Iskandar Malaysia, Johor and Northern Technocity (“NTC”) in Kulim, Kedah. The SAC, TBIP and NTC developments come under the ambit of MMC’s Industrial Development Division, operating under three companies namely Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd.

In other business, MMC wholly-owns Senai Airport Terminal Services Sdn Bhd, the operator of Senai International Airport in Johor Bahru – an emerging southern aviation hub and important gateway to Iskandar Malaysia.

Enquiries : Please log on to www.mmc.com.my or call Azlina Ashar, Head of Group Corporate Communications, MMC Corporation Berhad, Tel:+603 2071 1124