

Chief Executive Officer's Report

LAPORAN KETUA PEGAWAI EKSEKUTIF



PGB shareholders who participated in one of the Shareholders Visitation Programme being briefed by PGB staff on the operations at PETRONAS Petroleum Industry Complexes in Kertih.

Pemegang saham PGB yang menyertai satu daripada Program Lawatan Pemegang Saham sedang diberi taklimat oleh kakitangan PGB mengenai operasi di Komplek Industri Petroleum PETRONAS di Kertih.

More importantly, they have inspired renewed efforts in the quest for operational excellence.

TOD received a Gold Award for Occupational Safety from the UK-based Royal Society for the Prevention of Accidents (ROSPA) and the Gold Award from the Malaysian Society of Occupational Safety and Health (MSOSH). Meanwhile, CUF received the Grand Award and POD, the Gold Award from MSOSH.

On the corporate front, the most prestigious award accorded to the Company was the KLSE Corporate Award 2002 under the Industrial Products category. The awards are given to listed companies which have shown exemplary corporate conduct and demonstrated high standards of corporate governance, disclosure and transparency.

The Company also won the National Annual Corporate Reports (NACRA) Excellence Award for the fifth consecutive year under the Industrial Product category. This award is presented to companies that produce quality annual reports on a timely basis.

merentasi semenanjung. Syarikat mempunyai kedudukan yang sangat baik untuk mempertingkatkan nilai pemegang saham melalui operasi yang lebih cekap dan kos yang berkesan sebagai pemproses dan penyalur gas jualan serta produk untuk PETRONAS, dan dalam pembuatan dan pemasaran produk utiliti perindustrian untuk memenuhi permintaan pelanggan.

Sebagai hubungan penting dalam penyaluran gas dan cecair daripada pembekal-pembekal hulu kepada pelanggan-pelanggan hiliran dan pembekal kemudahan utiliti berpusat ke industri petrokimia berasaskan gas, PGB amat sedar tentang peranan pentingnya dalam mempertingkatkan rangkaian nilai perniagaan gasnya. Syarikat akan terus mempertingkatkan kebolehpercayaan, kecekapan, kekekalan dan keteguhan pemprosesan dan penyaluran gas serta kemudahan utiliti perindustrian.

Masa hadapan menawarkan peluang dan cabaran. Pada bulan Ogos 2002, syarikat mula menerima gas yang diimport daripada Natuna Barat, Indonesia yang menandakan satu lagi langkah penting ke arah merealisasikan rangkaian saluran paip gas merentasi ASEAN. Hubungan antara infrastruktur gas merentasi sempadan yang semakin berkembang di Asia Tenggara memberi peluang untuk menggalakkan keselamatan, kekekalan dan jaminan bekalan gas lantas memberi dorongan kepada PGB untuk memperkembangkan perniagaannya terutama dengan bertambahnya import gas dari projek Lembaga Pembangunan Bersama Malaysia – Thailand yang sedang dilaksanakan. Kami yakin bahawa Syarikat kami berdiri teguh dan berada dalam landasan untuk menuju ke arah matlamat kami untuk menjadi "Syarikat Pemprosesan Dan Penyaluran Gas Pilihan Yang Utama".

Prospects

PGB has grown from a gas processing and transmission arm of PETRONAS to a public listed Company with the completion of the PGU trans-peninsula pipeline and loop systems, gas processing capacity expansion and diversification into industrial utilities. The Company approaches its 20th anniversary in a vantage position in terms of its strong commercial viability and potential for business growth.

With an initial processing and transmission capacity of 250 mmscfd of sales gas, it has expanded well beyond 2,000 mmscfd with the PGU pipeline system spanning the peninsula. The Company is well positioned to enhance shareholder value through more efficient and cost effective operations as processor and transmitter of sales gas and products for PETRONAS, and in the manufacture and marketing of industrial utility products to meet customer demand.

As the vital link in the delivery of gas and liquids from upstream suppliers to downstream customers and provider of centralised utility facilities to the gas-based petrochemical industries, PGB is well aware of its important role in enhancing the gas business value chain. It will continue to enhance the reliability, efficiency, sustainability and robustness of our gas processing, transmission and industrial utility facilities.

The road ahead offers opportunities and challenges. In August 2002, the Company began receiving imported gas from West Natuna, Indonesia, marking another important step towards the realisation of the Trans-ASEAN Gas Pipeline network. The growing interconnection of cross-border gas infrastructure in ASEAN offers opportunities to boost security, sustainability and reliability of gas supplies, giving PGB the impetus for growing its business especially with further import of gas from the Malaysian-Thailand Joint Development Authority project currently

Penghargaan

Bagi pihak Pengurusan, saya ingin merakamkan ucapan terima kasih saya kepada kakitangan, yang menjadi tulang belakang sesebuah syarikat, di atas kecekalan dan dedikasi mereka. Kami juga ingin merakamkan penghargaan kami kepada pelanggan-pelanggan kami, juga pihak kerajaan, pihak berkuasa tempatan dan pemegang saham di atas keyakinan dan sokongan mereka yang berterusan.

Saya juga ingin mengambil kesempatan ini untuk menyatakan dengan khususnya penghargaan kami kepada salah seorang kakitangan kami, En. Muhammad Nasir bin Zakaria kerana menderma sebahagian daripada hatinya untuk menyelamatkan adik Muhd. Fakhrol Razi bin Rosdi yang berumur dua tahun. Bagi tindakan yang mulia ini, beliau telah dikurniakan Anugerah Maulidur Rasul, menjadikan individu termuda yang menerima penghormatan tersebut.

Saya juga ingin mengucapkan terima kasih saya kepada Lembaga Pengarah dan Jawatankuasa Audit Lembaga Pengarah di atas sokongan dan bimbingan mereka.



Scheduled communication session at the plant conducted by Plant Manager.

Sesi komunikasi berjadual di loji yang dikendalikan oleh Pengurus Loji.



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under implementation. We are confident the company is on a sound footing and well on-track to meet our ultimate goal of becoming 'The Leading Gas Processing and Transmission Company of Choice'

Appreciation

On behalf of the Management, I would like to thank the staff, who are the mainstay of the Company, for their resilience and dedication. Our gratitude also goes to our valued customers, the Government, the local authorities and the stakeholders for their confidence and continuing support.

I would like to take this opportunity to specially mention our appreciation to one of our staff, Encik Muhammad Nasir bin Zakaria, for donating part of his liver to save the life of two-year-old Muhd Fakhru bin Rosdi. For this noble deed, he was awarded the "Maulidur Rasul" Award, becoming the youngest ever person to receive such an honour.

I would also like to express our gratitude to our Board of Directors and Board Audit Committee for their support and guidance.

Last but not least, I would like to announce that I will be retiring as the Managing Director/Chief Executive Officer with effect from 1 June 2003 but will remain as a Director of the Company. My sincere gratitude to all the staff of the Company for the fervent support rendered during my term and I trust that similar support will be extended to my successor.



Abd. Hamid bin Ibrahim
Managing Director/Chief Executive Officer



Liver donor, Muhamad Nasir bin Zakaria with two-year old Fakhru.

Penderma hati, Muhammad Nasir bin Zakaria bersama Fakhru berumur dua tahun.

Akhir sekali, saya ingin mengumumkan bahawa saya akan bersara sebagai Pengarah Urusan/Ketua Pegawai Eksekutif berkuatkuasa 1 Jun 2003 tetapi kekal sebagai Pengarah Syarikat. Ucapan terima kasih kepada semua kakitangan Syarikat di atas sokongan yang bersungguh-sungguh sepanjang tempoh perkhidmatan saya dan saya percaya sokongan serupa akan diteruskan kepada pengganti saya.



Abd. Hamid bin Ibrahim
Pengarah Urusan/Ketua Pegawai Eksekutif



