I. Message From the Director

II. Our Work Programme and Achievements

III. Our Team

IV. Our Financial Summary

To sustain and restore wetlands, their resources and biodiversity

https://malaysia.wetlands.org
For the year 2019 in addition to our normal programmes, Wetlands International embarked into a new area which is Building with Nature (BWN). BWN is an innovative approach to hydraulic engineering that harnesses the forces of nature to benefit environment, economy and society.

We participated in the BWN adaptation workshop was held in Delft Netherlands, in July 2019 whereby the public and private leaders were encouraged to shape a commitment to accelerate adaptation through BWN in Asia. Countries which participated in the event were Indonesia, Vietnam, Malaysia, Philippines, Japan, China, India, Singapore, Germany and the Netherlands. Coming out of this event Malaysia together with four other countries are now embarking on a BWN Asia programme. The other countries involved are Indonesia, India, China and the Philippines. The purpose of this new programme is ultimately to make a commitment at the planned Climate Summit, expected to be held 1-12 November 2021 in Glasgow, UK.

Meanwhile MyWI also continued its work on constructed wetland related activities. We provided our advisory service on constructed wetlands design and recommended maintenance schedule for one township and constructed wetlands design, management and maintenance guidelines for wetland design for another township which is now at the finalizing stage.

MyWI was invited to participate in several community outreach programmes and CSR programmes. A memorable one was the Acestar poster competition. Wetlands International was chosen as the conservation NGO for their CSR programme. Creative and thought provoking posters were developed by participants to invoke awareness on the need to conserve the wetlands. The theme: Wetlands cradle of life.

In Brunei, as a follow up from the Biodiversity Action Plan project which started in year 2012, projects i.e. seed collection and nursery development has been developed and is being carried out for peatland rehabilitation work.

Also in 2019, Wetlands International reviewed and proposed changes to improve our strategic intent so that our work will be more visible and relevant to the current issues and challenges facing the wetlands and especially climate change. We consulted our stakeholders who gave valuable feedback for this purpose.

Datuk Paduka Ir Hj Keizrul bin Abdullah
Chairman of Council
II. Our Programmes and Activities

Accelerating Adaptation through Building with Nature: convening global leaders around an Asian challenge
09Jul2019 - 11Jul2019

This event was held to enable public and private leaders to shape a commitment to accelerate adaptation through Building with Nature in Asia. Through this event we aim to mobilise public and private leaders to shape a commitment to accelerate adaptation in Asia through Building with Nature.
II. Our Programmes and Activities

CSR Activities

**Acestar competition**
Wetlands International partnered with Acestar Sdn Bhd in organising a National Poster Competition in 2019. Acestar Sdn Bhd is a leading ICT company and a preferred IT supplies and services provider in education and enterprise sectors within Malaysia. Wetlands International provided two designing themes for the competition; Wetlands: The Cradle of Life and Wetlands: Nature’s Hidden Treasure for the competitions.
II. Our Programmes and Activities

Environmental awareness activities for youths – Efficient Frontier Sdn Bhd

Wetlands International collaborated with Efficient Frontier Sdn Bhd – a training and empowering consulting agency, to incorporate a one-day environmental awareness program for their trainees. The goal of the program is to increase environmental awareness and instil greater appreciation for nature among youths. Through the program, the participants were more aware of their connection to the natural environment and the consequences of their actions on the natural environment.
II. Our Programmes and Activities

**NetComFish Kardinal – Festival Kampung Bakau**

MyWI collaborated with University Malaya to co-organise the NetCom Fish carnival to educate the villagers (including the fishermen and youth) on the importance of conserving the Mangrove ecosystem at Klang Islands. We had an exhibition booth set up and disseminated awareness brochures, conducted interactive quizzes and demonstrated the importance of a healthy mangrove belt as the natural coastal protection. Apart from that, MyWI was one of the judges in Wetlands Miniature competition, cooking and Wetlands Colouring competition.
Mangrove Rehabilitation at Pantai Remis

Cargill Malaysia has shown their commitment in environment and sustainability in their business model and corporate responsibility projects by supporting responsible palm oil supply chain, environment protection, building homes with habitat for humanity and enriching communities. Cargill Malaysia worked together with MyWI to organise a mangrove replanting programme for their staff. The replanting activity was meant for coastal resilience along the Northern coast of Selangor – Pantai Remis.
II. Our Programmes and Activities

**Ombak Festival – Coastal Environment awareness**

The Ombak Festival combined interactive activities with learning and promoted the coastal environment in Malaysia. It is an awareness raising campaign where NGOs engaged with the local community to promote coastal protection and how single use plastic can harm marine life. Wetlands International had an exhibition booth for this purpose.
II. Our Programmes and Activities

BRUNEI

Peatland Conservation and Mitigation Attempts
A dialogue session on Brunei-Networked ASEAN Peat Swamp Forest Communities (BRU-NAPC) under the ICT Virtual Organisation of ASEAN Institutes (ASEAN IVO) and National Institutes of Information and Communications Technology (NICT) was held at Universiti Teknologi Brunei (UTB) on the 28th of January, 2019.

The aim of the dialogue session was to bring together all stakeholders to present their efforts in peatland conservation and mitigation nationally and regionally, also, to give their thoughts and supports on ways forward in peatland conservation.

Wetlands International on behalf of Brunei Shell Petroleum was invited to deliver a presentation on peatland conservation and mitigation attempts done at Badas peat dome. The presentation was conducted by the Technical Officer for Wetlands International Brunei, Aziah Binti Muhamad.

The 21st meeting of the technical working group on transboundary haze pollution (21st TWG) and 21st meeting of the sub-regional ministerial steering committee on transboundary haze pollution (21st MSC)

Both events were hosted by the Ministry of Development through the Department of Environment, Parks and Recreation (DEPR) held on 5th and 6th August, 2019 respectively at Rizqun International Hotel.

The TWG was attended by five countries across the Southern ASEAN region; Brunei Darussalam, Indonesia, Malaysia, Singapore and Thailand as well as representatives from the ASEAN Secretariat, ASEAN Specialised Meteorological Centre (ASMC) and local authorities namely the National Disaster Management Centre (NDMC), Fire and Rescue Department, Meteorological Department, Forestry Department and Heart of Borneo to discuss forest fires and land, in addition to the review and sharing of the latest developments on the regional cooperations related to haze issues in addressing transboundary haze in the region.

The TWG meeting also acts a preparatory meeting to the MSC meeting attended by ministers and senior officials relevant to the issue of Transboundary Haze Pollution.

Wetlands International Brunei together with Brunei Shell Petroleum (BSP) and Brunei Liquified Natural Gas Sdn Bhd (Brunei LNG) was invited to exhibit canal blocking project along Lumut and Badas pipeline on both days.
BRUNEI

CANAL BLOCKING ALONG JALAN BADAS

The Biodiversity Action Plan (BAP) project which ran from 2012 to 2014 has revealed that the canal along Jalan Badas has a substantial effect in draining water from the Badas peat dome. This is a cause for concern as hydrology is the most important factor in the formation and functioning of peat swamp ecosystems. Hydrology modification through drainage often causes irreversible effects on the functioning of this fragile ecosystem such as oxidation of peat which will be followed by subsidence and drying of peat.

In 2017, Brunei Shell Petroleum (BSP) commissioned Wetlands International to undertake a canal blocking project along Jalan Badas in order to restore the hydrological condition in which 31 peat blocks with recommended spacing were constructed along the canal. Monitoring results were analyzed and has revealed that blocking the canal has substantially raised the lowest water table levels in the degraded areas surrounding Jalan Badas, hence greatly reducing the risk of peat fires which was one of the main objectives of this project.
III. Our Team

Khadijah obtained her BSc. (Social Science) in Accounting and Economics from Southampton University, UK. In 1996, she joined Wetlands International Malaysia as a Finance Officer. Currently, she is in charge of all the Accounts administration of the Malaysia and Brunei office.

Flora George is the current Administration Officer at Wetlands International Malaysia. She has an Executive Diploma in Secretarial studies. She gradually progressed in ranks to serve as the current Administration Officer.

Huaimei joined Wetlands International Malaysia as a Technical Officer in 2014. Her main focus is on peatland conservation and management for Malaysia and Brunei. Huaimei graduated with a Bachelor degree in Conservation Biology and a Masters degree in Ecology & Herpetology.
III. Our Team

Denise joined the WI Malaysia family in 2011. She holds a Bachelor degree in Environmental Science and recently, received her Masters degree in Integrated Water Management. Her work is focused on Mangrove Conservation, Rehabilitation and Wise-use. She left Wetlands International in September 2019.

Aziah graduated from the University of Brunei Darussalam with a Bachelor degree in Biological Science and a Masters degree. She was involved with the Biodiversity Action Plan (BAP) project, a collaboration between Brunei Shell Petroleum (BSP) and Wetlands International (WI) and was also part of the restoration team with Ecological Clerk of Works (ECoWs) for a Rasau 3D Seismic Survey project.

Nadirah holds an MSc in Forestry from University Malaysia Sabah. She did her thesis research on the sugar production, reproductive phenology and spatial distribution of Nipah palm (Nypa fruticans). Her BSc in Biological Science is from Universiti Brunei Darussalam.
IV. 2019 Financial Summary

WETLANDS INTERNATIONAL
(A Company Limited By Guarantee And Not Having A Share Capital)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS PURSUANT TO
SECTION 251(2) OF THE COMPANIES ACT, 2016

We, Dr. Shamsudin Bin Ibrahim and Datuk Paduka Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat, being two of the Directors of Wetlands International do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 5 to 29 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2019 and financial performance of the Company for the financial year ended 31 December 2019 in accordance with Malaysian Financial Reporting Standards in Malaysia and the requirements of the Companies Act, 2016 in Malaysia.

ON BEHALF OF THE BOARD OF DIRECTORS

[Signatures]

DR. SHAMSUDIN BIN IBRAHIM
DIRECTOR

DATUK PADUKA IR. HJ. KEIZRUL BIN ABDULLAH @ LIM TEIK KEAT
DIRECTOR

Subang Jaya, Selangor Darul Ehsan

STATUTORY DECLARATION PURSUANT TO
SECTION 251(1)(B) OF THE COMPANIES ACT, 2016

I, Khadijah Ahmad, the officer primarily responsible for the financial management of Wetlands International, do solemnly and sincerely declare that the financial statements set out on pages 5 to 29 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

[Signature]

KHADIJAH AHMAD

Subscribed and solemnly declared by the above-named Khadijah Ahmad, at: Subang Jaya, Selangor Darul Ehsan on:

before me.

[Stamp]

NO: B 501
SITI HAHIDAH BINTI ARIFIN
1/7/2018-31/12/2020
MALAYSIA

TETUAN ASHRAI NAMA O SABRI
JALAN US1, RESALJA BUSINESS CENTER,
ATER SUBANG JAYA, SELANGOR.
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394431-D)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wetlands International, which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL (CONTINUED)
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

a) Identify and assess the risks of material misstatement of the 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.

b) 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 Company’s internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL (CONTINUED)
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

d) 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 Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Director 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ZAMZURI & CO.
(No. AF: 1315)
Chartered Accountants

MOHD ZAMZURI BIN DARUS
(No. 02107/11/2020 (L))
Chartered Accountant
Selangor Darul Ehsan

33
STATEMENT OF COMPREHENSIVE INCOME FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2019

Revenue by Project

Administrative costs
<table>
<thead>
<tr>
<th>Statement of Comprehensive Income</th>
<th>2019 (RM)</th>
<th>2018 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,192,840</td>
<td>1,064,129</td>
</tr>
<tr>
<td>Direct Project Costs</td>
<td>(547,849)</td>
<td>(566,358)</td>
</tr>
<tr>
<td>Gross (deficit)/surplus</td>
<td>644,991</td>
<td>497,771</td>
</tr>
<tr>
<td>Other operating income</td>
<td>122,177</td>
<td>19,899</td>
</tr>
<tr>
<td>Administrative expenses *</td>
<td>(548,553)</td>
<td>(557,920)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(4,752)</td>
<td>(122,310)</td>
</tr>
<tr>
<td>(Deficit)/Surplus before taxation</td>
<td>213,863</td>
<td>(162,560)</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Deficit)/Surplus for the financial year</td>
<td>213,863</td>
<td>(162,560)</td>
</tr>
</tbody>
</table>
### Statement of Financial Position as at 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 (RM)</th>
<th>2018 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>479,378</td>
<td>485,981</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>488,303</td>
<td>222,508</td>
</tr>
<tr>
<td>Other receivables, deposits and prepayments</td>
<td>22,535</td>
<td>23,395</td>
</tr>
<tr>
<td>Due from a customer</td>
<td>144,033</td>
<td>193,288</td>
</tr>
<tr>
<td>Tax recoverable</td>
<td>25,068</td>
<td>26,344</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>340,017</td>
<td>499,396</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>1,019,956</td>
<td>964,931</td>
</tr>
<tr>
<td><strong>LESS: CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>93,781</td>
<td>39,730</td>
</tr>
<tr>
<td>Other payables and accruals</td>
<td>63,511</td>
<td>163,498</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>157,292</td>
<td>203,228</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td>862,664</td>
<td>761,703</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td>1,342,042</td>
<td>1,247,684</td>
</tr>
<tr>
<td><strong>PRESENTED BY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members’ contribution funds</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Reserve Fund</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Other reserve</td>
<td>277,626</td>
<td>397,131</td>
</tr>
<tr>
<td>Surplus in accumulated funds</td>
<td>864,116</td>
<td>650,253</td>
</tr>
<tr>
<td><strong>PRESENTED BY</strong></td>
<td>1,342,042</td>
<td>1,247,684</td>
</tr>
</tbody>
</table>