



GOING FOR Gold

Malaysian company Bahvest Resources made its name as a leading brand in aquaculture. However, over the last five years it has transformed itself, leaving fish farming behind to move into gold production. We spoke to CEO Datuk Lo Fui Ming to discuss the benefits of radical change.

DATUK LO FUI MING

CEO @ Bahvest Resources

In 2019, Datuk Lo Fui Ming, CEO of Bahvest Resources, was awarded the prestigious ICON Leadership Brand Builder of the Decade Award at the Majestic Hotel in Kuala Lumpur. In announcing the decision, Fui was commended by the president of the awards committee for his inspirational leadership in Malaysia's aquaculture industry. At the time, his company had recently become public listed and had just introduced premium fish such as red snapper, grouper, and trout to its stock. Through developments such as these, Bah-

vest had maintained an impressive market share and position over a sustained period.

This story in itself is worthy of comment but is made all the more notable by what was taking place behind the scenes. As Fui received this award, his company was already undergoing a complete metamorphosis. Over the previous year Bahvest had diversified into gold production, operating a mine in Tawau, in the state of Sabah. It was going well and so, just a year after his recognition by ICON for services to aquaculture, Datuk's company divested 100% of its aquaculture operations. From 2020 onwards, Bahvest's sole focus was gold.



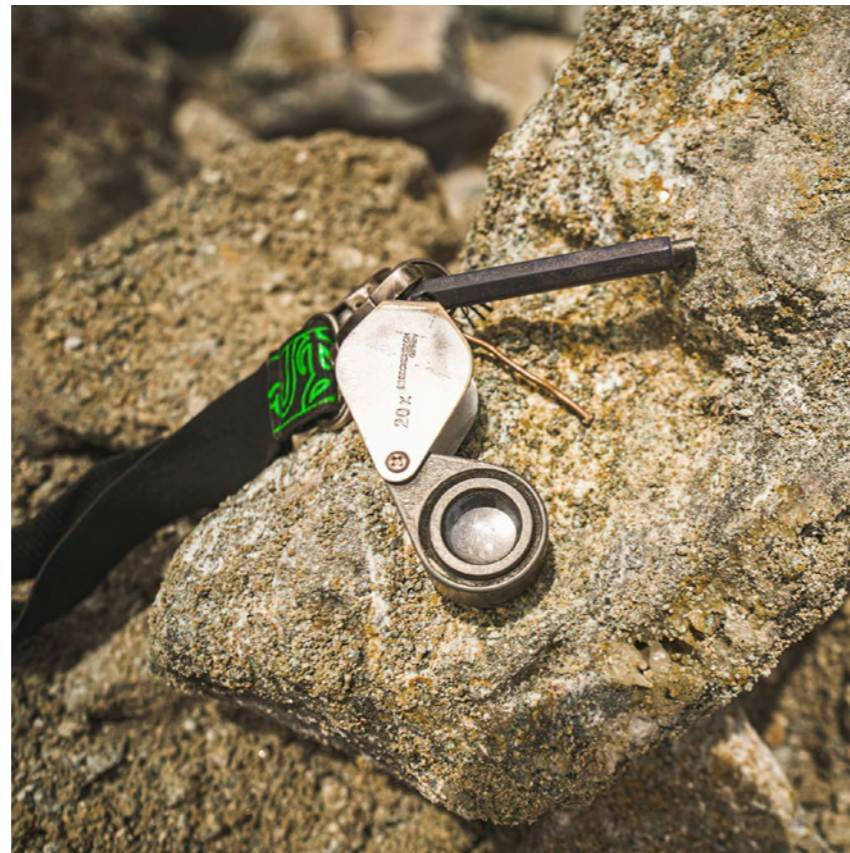
“In the midst of our operation, we switched our interests to mining,” Fui says. “So yes, we come from a different sector, but at the end of the day, maybe it’s fate that we are now doing mining.”

Diverse experience

Fui founded the company in 2005 at the age of 45, having come from a mixed professional background. Generally engaged in primary industries, he started his own logging company in 1980, before becoming managing director of Cepatwawasan Group, a Sabah based oil palm planter, in 1995.



You have to be able to trust people in business



“I used to own 20,000 acres of plantation land and one of the biggest palm oil mills in the country,” he recalls.

Seeking a new challenge, he hit upon the idea of aquaculture and like any businessperson, was excited by possibilities for personal growth and seeing where his journey could lead.

“I always believed,” he says. “Nobody had ever been successful in the aquaculture business in Malaysia. But that’s exactly why I was interested in venturing into it. I believed I could bring the company to a higher place, a higher position.”

A large part of that was developing “human capital,” as Fui describes it. At Bahvest he has assembled a team around him, some of whom have been trained from scratch. Through this, the company has developed shared values and a shared story.

“We really believe in teamwork,” he explains. “You have to be able to trust each other in business. This is very important. In my view, it is the most important thing.”

With this ethic embedded in Bahvest’s DNA, it underwent more than a decade of im-



pressive growth. From 2005 through to 2017, the company expanded its interests across the aquaculture sector. Its principal activities were carried out by subsidiaries involved in the commercial mass production of marine fish, with a focus on breeding. The company spent more than RM80 million on research and development, allowing it to create state-of-the-art hatchery technology. It also owned two carriers, on which it could transport live fish for export to Hong Kong, China, and other areas across the Asia-Pacific region.

Heads....or tails

By 2016, Bahvest’s fish fry production was 1.8 million tails (the fish equivalent of “units”), while some 236,000 tails of juvenile fish were transferred to sea cages from their hatcheries. It had become a large and efficient operation, with plans to expand into the frozen foods market. Yet around this time, another of Fui’s interests was developing quickly.

Fui had a 70% stake in Wullersdorf Resources, a special purpose vehicle (SPV) created to venture into the mining business. At the time Fui’s plan was to continue →

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These figures are particularly striking when set against the backdrop of the global coronavirus pandemic. By the time Covid struck, early in 2020, Bahvest had already completed its shift from aquaculture to mining, but there were, of course, still challenges.

“Like everybody we had to think about things very carefully,” Fui explains. “We had to introduce increased safety measures like medical check-ups alongside hygiene protocols for our staff. We were successful in this and actually have had no Covid cases here, but above all, at times like this it is important to stay positive. I have always been positive, and I remained so. I believed in our mining venture just as I believed in the aquaculture business before.”

Despite the arrival of the recent Omicron variant and associated concerns, thoughts are now turning to the future. Unsurprisingly, Bahvest looks forward with great optimism, off the back of a period of buoyant growth.

“We are not resting on our laurels” Fui says. “Things are going well, but we are already working on further increasing our gold output. Over the last three years we have con-

tinued to invest in our mining and production capacity. We are now processing 1400 metric tons per day, in comparison to 800 metric tons when we first opened the mine.”

Going deep

The company now runs five adjoining, open mining pits, covering a total area of 38 hectares. However, with 88% of the entire area at Tawau still to be utilised, there is plenty of scope for further expansion. Fui’s aim is for his mine to become the largest in Malaysia,

to sink deeper and deeper and find ever higher-grade ore. It will be this while using zero liquid discharge policies, via an installation of state-of-the-art filter press systems which recycle and reuse all wastewater.

“Within the next five years, we hope to triple our production, while doing that sustainably,” he states, confidently. Bearing in mind what has already been achieved, this would seem a highly achievable target.

Alongside its business benefits, the shift to mining has enabled Bahvest to play a significant role in the local community. This factor is important to the corporate identity of Bahvest, which is proud of being a Malaysian owned gold mining company in a country where most gold mines are owned by foreign investors. Bahvest’s mine employs 300 people, most of them locals and therefore makes a significant contribution to the regional economy.

“This is something else which is very important to us,” Fui adds. “We are not just creating success for ourselves, but also for those around us, providing them with opportunities. It is these kinds of values that are central to our company.”



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to grow a sustainable aquaculture business, while diversifying his revenue source through mining.

However, once the mine operations commenced at Tawau, they steadily became all consuming. In this way, his company, once known as Borneo Aqua Harvest BHD, completed its transformation to Bahvest. The change has wrought considerable benefits and in September 2021, Bahvest posted record profits of RM 9.01 million, a 181% jump on the previous quarter.



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TSK Group of companies (TSK)

Established since 2007, TSK Group of companies (TSK) have been involved in aquatic animal nutrition, bio-conservation, mining inputs and equipment. Currently TSK headquarter is situated in Kota Kinabalu, Sabah, Malaysia; while its businesses scattered across Malaysia, Brunei, Thailand, and Hong Kong. In order to uphold TSK core value of "Growing together substantially", TSK is committed and working closely with some of the leading companies in the respective fields of its business involvement.

TSK Animal Feed Sdn Bhd (TSKAF) focuses on providing excellent quality aquatic animal feed at reasonable price in the region. Nowadays, Aquaculture industry as a whole is getting crucially challenging with disease outbreak, hostile weather, and environmental pollutions. As for us to contribute positively towards the industry, Quality consistency of our feed is paramount especially when dealing with aquatic animals due to the nature of its longer culture period and its less effective carbohydrate utility rate. The main targeted species includes prawns (Vannamei & Monodon), tilapia, catfish, grouper, snapper, seabass, and bullfrog.

TSK Aqua Resources Sdn Bhd (TSKAR) dealing mainly in the minerals mining industry in the region as a support unit to cater and supply inputs and equipment especially for the gold mining industry. Hands of the mine operators are full at the moment as task of daily routines, expertise deployment, management, safety practices, health issues, compliances of law and regulations, and environmental conservation matters are some crucial matter to be deal with. Hence, the situation is further worsen as effects of COVID-19, hostile weather, natural disaster, global politics uncertainty, volatility of currency, imbalance trade, shipping delays, and unprecedented cost of goods are hard punches to the mine operators. Therefore, we are offering peace of mind solutions at reasonable price for mine operators. The main inputs are hydrated lime, quicklime, steel balls, and sodium cyanide.



Steel Ball



Aquatic Animal Feed



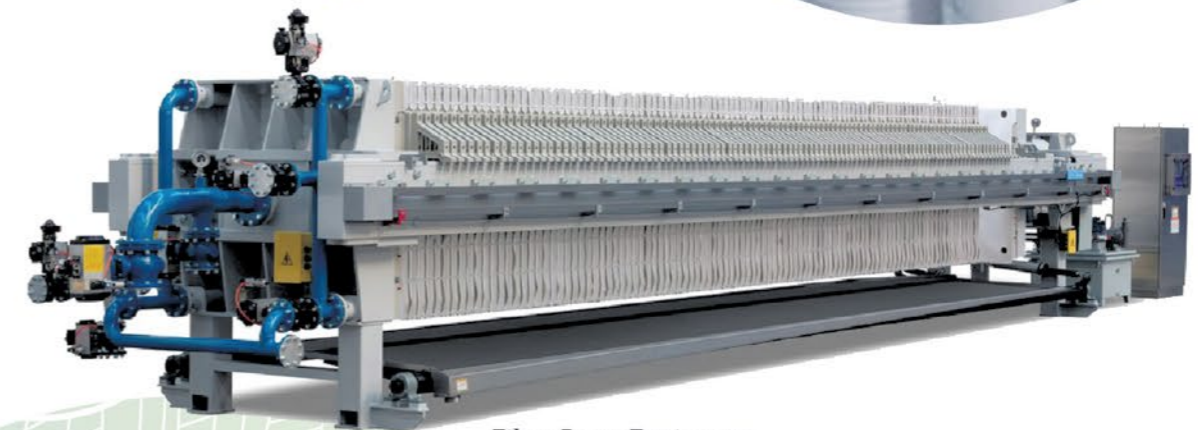
Quicklime



TSK Group of companies (TSK)



Sodium Cyanide



Filter Press Equipment

Other than that, TSKAR is earnest on bio-conservation and by catering world-class leading filter press equipment would enable mine operators to run in a fully closed cycled production operations. In another word, the mine operators could have a zero-discharged operation that would not only minimized the impact to the environment but also lowered the mine operators inputs consumption and running cost. The technology is also applicable in other industries that have suspended solids in its wastewater such as palm oil refinery.

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