



**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For The Nine Months Period Ended 31 October 2020**

	Individual Period (3rd quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To date	Preceding Year Corresponding Period	Changes	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	(Amount / %) RM'000	%	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	(Amount / %) RM'000	%
Revenue	2,262,315	240,966	2,021,349	838.9%	3,601,641	663,401	2,938,240	442.9%
Direct expenses	(1,808,898)	(104,696)	(1,704,202)	1627.8%	(2,618,256)	(274,503)	(2,343,753)	853.8%
Gross profit	453,417	136,270	317,147	232.7%	983,385	388,898	594,487	152.9%
Other operating income	3,882	20,026	(16,144)	-80.6%	56,102	36,644	19,458	53.1%
Administrative expenses	(199,456)	(20,894)	(178,562)	854.6%	(368,644)	(58,716)	(309,928)	527.8%
Profit from operations	257,843	135,402	122,441	90.4%	670,843	366,826	304,017	82.9%
Finance costs	(73,401)	(51,614)	(21,787)	42.2%	(242,597)	(143,592)	(99,005)	68.9%
Share of (loss)/profit of joint ventures	(1,243)	(106)	(1,137)	1072.6%	(5,901)	11,672	(17,573)	-150.6%
Profit before tax	183,199	83,682	99,517	118.9%	422,345	234,906	187,439	79.8%
Income tax expense	(46,326)	(15,889)	(30,437)	191.6%	(111,657)	(50,484)	(61,173)	121.2%
<b>Profit for the period</b>	<b>136,873</b>	<b>67,793</b>	<b>69,080</b>	<b>101.9%</b>	<b>310,688</b>	<b>184,422</b>	<b>126,266</b>	<b>68.5%</b>
<b>Profit attributable to:</b>								
Owners of the Company	100,729	53,967	46,762	86.6%	247,801	144,963	102,838	70.9%
Non-controlling interests	36,144	13,826	22,318	161.4%	62,887	39,459	23,428	59.4%
	136,873	67,793	69,080	101.9%	310,688	184,422	126,266	68.5%
<b>Earnings per share attributable to owners of the Company:</b>								
Basic (sen)	9.22	4.91	4.31	87.8%	22.69	13.20	9.49	71.9%
Diluted (sen)	9.18	4.88	4.30	88.1%	22.59	13.18	9.41	71.4%

The condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For The Nine Months Period Ended 31 October 2020**

	Individual Period (3rd quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To date	Preceding Year Corresponding Period	Changes	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	(Amount / RM'000	%	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	(Amount / RM'000	%
Profit for the period	136,873	67,793	69,080	101.9%	310,688	184,422	126,266	68.5%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	(57,056)	47,903	(104,959)	-219.1%	58,807	75,209	(16,402)	-21.8%
- Cash flows hedge reserve	57,838	(26,197)	84,035	-320.8%	(159,310)	(115,183)	(44,127)	38.3%
- Reclassification of changes in fair value of cash flow hedges	17,027	3,745	13,282	354.7%	36,639	7,297	29,342	402.1%
- Put option reserve	(19,900)	(5,842)	(14,058)	240.6%	(15,347)	(9,016)	(6,331)	70.2%
<b>Total comprehensive income for the period</b>	<b>134,782</b>	<b>87,402</b>	<b>47,380</b>	<b>54.2%</b>	<b>231,477</b>	<b>142,729</b>	<b>88,748</b>	<b>62.2%</b>
<b>Total comprehensive income for the period attributable to:</b>								
Owners of the Company	65,052	72,996	(7,944)	-10.9%	187,662	115,935	71,727	61.9%
Non-controlling interests	69,730	14,406	55,324	384.0%	43,815	26,794	17,021	63.5%
	134,782	87,402	47,380	54.2%	231,477	142,729	88,748	62.2%

The condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 October 2020**

	AS AT 31.10.2020 Unaudited RM'000	AS AT 31.1.2020 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,797,574	4,843,583
Investment properties	14,485	17,708
Intangible assets	362,468	394,848
Investment in joint ventures	500,589	478,558
Investment in associates	1,744	1,714
Deferred tax assets	2,801	1,171
Amounts due from joint ventures	20,136	-
Other assets	12,820	68,819
Other investments	13,808	13,570
Finance lease receivables	2,137,710	1,501,015
Contract assets	1,394,484	-
	<b>8,258,619</b>	<b>7,320,986</b>
<b>Current assets</b>		
Inventories	3,624	22,080
Trade and other receivables	543,117	321,383
Amounts due from joint ventures	157,858	178,453
Other assets	53,601	159,271
Finance lease receivables	73,178	48,214
Tax recoverable	45	66
Other investments	107,946	188,762
Cash and bank balances	2,294,080	1,276,190
	<b>3,233,449</b>	<b>2,194,419</b>
<b>TOTAL ASSETS</b>	<b>11,492,068</b>	<b>9,515,405</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 October 2020**

	AS AT 31.10.2020 Unaudited RM'000	AS AT 31.1.2020 Audited RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,123,486	1,106,639
Treasury shares	(171,881)	(125,343)
Foreign currency translation reserve	194,831	141,951
Cash flows hedge reserve	(229,899)	(132,227)
Share-based option reserve	7,642	6,916
Share grant reserve	2,494	-
Put option reserve	(187,094)	(412,398)
Retained earnings	1,131,140	1,050,419
<b>Equity attributable to owners of the Company</b>	<b>1,870,719</b>	<b>1,635,957</b>
Perpetual securities issued by subsidiaries	1,847,675	1,847,675
Non-controlling interests	301,765	290,237
<b>Total equity</b>	<b>4,020,159</b>	<b>3,773,869</b>
<b>Non-current liabilities</b>		
Loans and borrowings	5,329,381	3,354,359
Lease liabilities	14,888	18,646
Other payables	389,269	714,070
Derivatives	253,744	138,700
Deferred tax liabilities	48,476	1,440
	<b>6,035,758</b>	<b>4,227,215</b>
<b>Current liabilities</b>		
Loans and borrowings	601,142	476,044
Lease liabilities	14,982	12,747
Trade and other payables	545,914	493,469
Amounts due to joint ventures	-	2,903
Derivatives	25,163	17,454
Put option liability	187,094	412,398
Tax payables	61,856	99,306
	<b>1,436,151</b>	<b>1,514,321</b>
<b>Total liabilities</b>	<b>7,471,909</b>	<b>5,741,536</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,492,068</b>	<b>9,515,405</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.70</b>	<b>1.49</b>

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For The Nine Months Period Ended 31 October 2020

	Attributable to owners of the Company									Perpetual securities of subsidiaries RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Cash flows hedge reserve RM'000	Share-based option reserve RM'000	Share grant reserve RM'000	Put option reserve RM'000	Retained earnings RM'000	Total equity attributable to owners of the Company RM'000			
<b>At 1 February 2019</b>	1,101,090	(43,829)	160,617	(35,664)	2,140	-	(455,725)	1,016,783	1,745,412	1,575,885	302,680	3,623,977
Total comprehensive income/(loss) for the period	-	-	68,805	(88,817)	-	-	(9,016)	144,963	115,935	-	26,794	142,729
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(98,848)	(98,848)	-	-	(98,848)
Issue of perpetual securities by a subsidiary	-	-	-	-	-	-	-	-	-	490,050	-	490,050
Redemption of perpetual securities by a subsidiary	-	-	-	-	-	-	-	-	13,491	(218,260)	-	(204,769)
Exercise of ESS	2,832	-	-	-	-	-	-	-	2,832	-	-	2,832
Issuance of ESS	-	-	-	-	4,167	-	-	-	4,167	-	-	4,167
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(64,828)	(64,828)	-	-	(64,828)
Cash dividends to non-controlling interests	-	-	-	-	-	-	21,538	-	21,538	-	(21,538)	-
Purchase of treasury shares	-	(6,464)	-	-	-	-	-	-	(6,464)	-	-	(6,464)
<b>At 31 October 2019 (Unaudited)</b>	<b>1,103,922</b>	<b>(50,293)</b>	<b>229,422</b>	<b>(124,481)</b>	<b>6,307</b>	<b>-</b>	<b>(443,203)</b>	<b>1,011,561</b>	<b>1,733,235</b>	<b>1,847,675</b>	<b>307,936</b>	<b>3,888,846</b>
<b>At 1 February 2020</b>	1,106,639	(125,343)	141,951	(132,227)	6,916	-	(412,398)	1,050,419	1,635,957	1,847,675	290,237	3,773,869
Total comprehensive income/(loss) for the period	-	-	52,880	(97,672)	-	-	(15,347)	247,801	187,662	-	43,815	231,477
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(104,543)	(104,543)	-	-	(104,543)
Effect of changes in shareholding in subsidiaries	-	-	-	-	-	-	-	1,442	1,442	-	200,330	201,772
Exercise of ESS	16,847	-	-	-	(2,717)	-	-	-	14,130	-	-	14,130
Issuance of ESS	-	-	-	-	3,443	-	-	-	3,443	-	-	3,443
Effect of Long-term Incentive Plan	-	-	-	-	-	2,494	-	-	2,494	-	-	2,494
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(21,324)	(21,324)	-	-	(21,324)
Dividends payable to owners of the Company	-	-	-	-	-	-	-	(42,655)	(42,655)	-	-	(42,655)
Cash dividends to non-controlling interests	-	-	-	-	-	-	104,743	-	104,743	-	(105,268)	(525)
Capital reduction to non-controlling interests	-	-	-	-	-	-	135,908	-	135,908	-	(135,908)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	8,559	8,559
Purchase of treasury shares	-	(46,538)	-	-	-	-	-	-	(46,538)	-	-	(46,538)
<b>At 31 October 2020 (Unaudited)</b>	<b>1,123,486</b>	<b>(171,881)</b>	<b>194,831</b>	<b>(229,899)</b>	<b>7,642</b>	<b>2,494</b>	<b>(187,094)</b>	<b>1,131,140</b>	<b>1,870,719</b>	<b>1,847,675</b>	<b>301,765</b>	<b>4,020,159</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Nine Months Period Ended 31 October 2020**

	Cumulative Period	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax	422,345	234,906
Adjustments for:		
Amortisation and depreciation	230,705	178,797
Amortisation of unfavourable contracts	-	(4,962)
Unrealised gain on foreign exchange	(10,564)	(18,951)
Finance costs	242,597	142,773
Loss on disposal on other investments	1,743	610
Impairment loss on investment properties	3,222	2,400
Impairment loss on property, plant and equipment	21,634	4,887
(Reversal of impairment loss)/impairment loss on trade and other receivables	(4,934)	2,248
Reversal of impairment loss on advances to a joint venture	(3,395)	(241)
Impairment loss on tax recoverable	11,725	-
Loss on disposal of property, plant and equipment	115	890
Net fair value loss on derivatives	-	819
Net fair value gain on other investments	(623)	(212)
Property, plant and equipment written off	-	28
Deal deposit and bad debts written off	85,335	582
Share of loss/(profit) of joint ventures	5,901	(11,672)
Finance lease income	(130,508)	(1,755)
Interest income	(13,404)	(18,949)
Operating cash flows before working capital changes	861,894	512,198
Receivables	221,486	(62,236)
Contract assets	(1,421,673)	-
Other current assets	960	(40,617)
Inventories	18,456	1,526
Payables	(16,418)	155,935
Cash flows (used in)/generated from operations	(335,295)	566,806
Interest received	13,404	18,949
Finance costs paid	(4,407)	(8,307)
Tax paid	(104,818)	(33,671)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(431,116)</b>	<b>543,777</b>
<b>INVESTING ACTIVITIES</b>		
Investment in a joint venture	(31,898)	-
Capital contribution from non-controlling interests	93,212	-
Dividend received from joint ventures	16,535	14,210
Deposit received for sales of shares in a subsidiary	20,940	-
Withdrawal of short term investment	-	361
Proceeds from disposal of other investments	132,616	71,627
Proceeds from disposal of property, plant and equipment	204	1,616
Proceeds from disposal of shareholdings in a subsidiary	108,716	-
Purchase of intangible assets	(2,771)	(183)
Purchase of property, plant and equipment	(353,009)	(979,432)
Purchase of other investments	(47,780)	(187,273)
Net movement in restricted cash	(85,614)	98,451
<b>Net cash flows used in investing activities</b>	<b>(148,849)</b>	<b>(980,623)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Nine Months Period Ended 31 October 2020**

	Cumulative Period	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000
<b>FINANCING ACTIVITIES</b>		
Dividends paid to owners of the Company	(21,324)	(21,607)
Dividends paid to non-controlling interests	(105,268)	(21,538)
Capital reduction to non-controlling interests	(135,908)	-
Drawdown of loans and borrowings	5,128,079	1,151,926
Perpetual securities distribution paid	(106,652)	(71,653)
Proceeds of loans from non-controlling interests	55,878	-
Proceeds from equity-settled share-based options	14,130	2,832
Proceeds from issuance of perpetual securities	-	490,050
Purchase of treasury shares	(46,538)	(6,464)
Repayment of loans and borrowings	(3,008,889)	(494,866)
Repayment of obligations under finance leases	-	(267)
Repayment of lease liabilities	(9,462)	(4,046)
Repayment of perpetual securities	-	(203,750)
Finance costs paid	(278,942)	(126,521)
<b>Net cash flows generated from financing activities</b>	<b>1,485,104</b>	<b>694,096</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>905,139</b>	<b>257,250</b>
Effects of foreign exchange rate changes	20,319	11,946
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>		
<b>OF THE FINANCIAL PERIOD</b>	<b>886,358</b>	<b>723,509</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>1,811,816</b>	<b>992,705</b>
	<b>As at</b>	<b>As at</b>
	<b>31.10.2020</b>	<b>31.10.2019</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	2,294,080	1,397,630
Less: Restricted cash	(482,264)	(404,925)
	<b>1,811,816</b>	<b>992,705</b>

*The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.*

**1. Basis of Preparation**

This unaudited condensed consolidated interim financial statements (Condensed Report) of Yinson Holdings Berhad (the "Group" or "YHB") for the financial period ended 31 October 2020 have been prepared in accordance with *MFRS134: Interim Financial Reporting*, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with *IAS34: Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB").

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 January 2020. The significant accounting policies and methods adopted for the Condensed Report are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2020 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 February 2020.

- Amendments to MFRS 3 "Definition of a Business"
- Amendments to MFRS 101 and MFRS 108 "Definition of Material"
- The Conceptual Framework for Financial Reporting (Revised 2018)

The adoption of the above amendments to published standards does not have any material impact to the Group.

**MFRSs and Amendments to MFRSs issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group.

Effective for financial periods beginning on or after 1 February 2021.

- Amendments to MFRS 3 "Reference to the Conceptual Framework"
- Amendments to MFRS 16 "COVID-19 Related Rent Concessions"
- Amendments to MFRS 101 "Amendments on Classification of Liabilities as Current or Non-current"
- Amendments to MFRS 116 "Property, Plant and Equipment - Proceeds Before Intended Use"
- Amendments to MFRS 137 "Onerous Contracts – Cost of Fulfilling a Contract"
- Annual Improvements to MFRS Standards 2018-2020

The Directors expect that the adoption of the above standards and interpretations will either not be relevant or not have material impact on the financial statements in the year of initial application.



## **2. Seasonal or Cyclical Factors**

The Group's operations were generally not affected by any material seasonal or cyclical factors.

## **3. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 October 2020, with the exception of the continued impact of the Covid-19 outbreak, which the World Health Organisation declared as a pandemic since 11 March 2020. The pandemic situation remains a significant challenge to countries around the world affecting business and social activities; particularly as the availability of a clinically proven vaccine for the larger community is anticipated to be in deficit during the initial stages of distribution. Encouragingly, the Group's business continuity plans have succeeded to ensure minimum disruption to its daily operations, however, the Group continues to incur additional overheads to comply with the applicable industry rules especially involving staff and crew.

Covid-19 has posed a significant threat and uncertainty to the global oil and gas industry with the resultant effect from various measures taken so far throughout the world. Whilst these threats and uncertainties are mitigated by the fact that the Group's revenue comes primarily from long term fixed priced contracts with reputable oil companies, the Group will nevertheless continue to monitor and assess macro developments in order to take pre-emptive and proactive measures to mitigate adverse impacts, as and when necessary.

The extent to which the Covid-19 pandemic may further impact the Group's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence. These developments include the duration and severity of the outbreak, and the actions that may be required to contain Covid-19 or treat its impact. In particular, the protracted duration and additional resources required to safely contain Covid-19 globally, could adversely impact the Group's operations, work force, cash flows and financial position for the current financial year. As a result, without a firmly established plan for vaccine distribution, the related impact arising from Covid-19 cannot be reasonably estimated at this time for the financial year ending 31 January 2021.

## **4. Changes in Accounting Estimate**

There were no material changes in accounting estimates during the financial period under review that would have a material effect that would substantially affect the results of the Group.

## 5. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 October 2020 except for:

### (a) Incorporation of subsidiaries

<b>Name of subsidiaries</b>	<b>Date of incorporation</b>	<b>Country of incorporation</b>	<b>Proportion of ownership interest (%)</b>	<b>Principal activities</b>
Yinson Bergenia Consortium Pte. Ltd.	7 February 2020	Singapore	100%	Investment holding
Yinson Bergenia Holdings Pte. Ltd.	7 February 2020	Singapore	100%	Investment holding
Yinson Bergenia Production B.V.	14 February 2020	Netherlands	100%	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Production EPC Pte. Ltd.	6 April 2020	Singapore	100%	Investment holding and provision of engineering, procurement and construction for floating production system and management services
Yinson Bergenia Servicos De Operacao Ltda	7 April 2020	Brazil	100%	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Production EPC Sdn. Bhd.	14 April 2020	Malaysia	100%	Provision of engineering, procurement and construction for floating production system and management services

## 5. Changes in the Composition of the Group (continued)

There were no changes in the composition of the Group during the financial period ended 31 October 2020 except for: (continued)

### (a) Incorporation of subsidiaries (continued)

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
Yinson Renewables Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR India Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR Karnataka Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR Italy Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR Menta Wind Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR Messinello Wind Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
YR Paceco Solar Pte Ltd	16 September 2020	Singapore	100%	Investment holding and provision of management services
Menta Wind S.R.L.	9 October 2020	Italy	100%	Generation of electricity through renewable resources
Messinello Wind S.R. L.	9 October 2020	Italy	100%	Generation of electricity through renewable resources
Paceco Solar S.R. L.	9 October 2020	Italy	100%	Generation of electricity through renewable resources

## 5. Changes in the Composition of the Group (continued)

There were no changes in the composition of the Group during the financial period ended 31 October 2020 except for: (continued)

### (b) Acquisition of a joint venture

On 26 March 2020, Yinson Renewables (S) Pte. Ltd., a wholly owned subsidiary of the Group, has entered into multiple agreements to acquire a 37.5% equity interest in Rising Sun Energy Private Limited ("RSE"), an India-incorporated company with two operational solar plants in the Bhadla Solar Park, Rajasthan, India.

Yinson Renewables (S) Pte. Ltd. has paid INR554 million (RM32 million) for the stake.

The two adjoining solar plants have a combined generation capacity of 140MW (AC rated), and achieved their scheduled commissioning dates in 2017. 25-year Power Purchase Agreements, expiring in 2042, have been signed with NTPC Limited, India's largest power utility company, majority owned by the Government of India.

### (c) Disposal of a minority equity interest in a subsidiary

On 28 April 2020, Yinson Holdings Berhad ("YHB"), Yinson Boronia Consortium Pte. Ltd. ("YBC"), an indirect wholly owned subsidiary of the Group, Yinson Acacia Limited ("YAL"), an indirect wholly owned subsidiary of the Group, Japan Offshore Facility Investment 1 Pte. Ltd. ("JOFI") and Sumitomo Corporation entered into in respect of the proposed collaboration in relation to Project Marlim ("Proposed Business Arrangement") with the agreed form of the shareholders' agreement between YAL, YHB, JOFI, Sumitomo and YBC ("Shareholders Agreement") and the convertible loan agreement between YBC, JOFI, and YAL ("Convertible Loan Agreement") appended to the Share Subscription Agreement. The Proposed Business Arrangement is to facilitate the arrangements between YAL and JOFI, in respect of Project Marlim.

The Contracts entered into comprise the following:

- (i) Charter Contract: Marlim 2 FPSO to the Marlim Field located offshore Brazil in the north-eastern part of the Campos Basin; and
- (ii) Service Contract: operation and maintenance services during the charter phase of Marlim 2 FPSO.

Pursuant to the Share Subscription Agreement, YBC shall allot and issue to JOFI 3,340,000 new ordinary shares representing 25% of the enlarged issued share capital of YBC ("Subscription Shares"). YAL's effective shareholdings in YBC shall decrease from 100% to 75% upon completion of the Share Subscription Agreement.

The Subscription Shares were issued to JOFI for a total consideration of USD25 million in May 2020.

## 6. Segmental Information

### For the Nine Months Period Ended 31 October 2020

	Offshore Production & Offshore Marine			Other Operations	Renewables	Consolidated
	EPCIC RM'000	Non-EPCIC RM'000	Total RM'000			
<b>Revenue</b>						
Gross revenue	2,560,690	1,040,913	3,601,603	393,796	-	3,995,399
Elimination	-	(1,784)	(1,784)	(391,974)	-	(393,758)
Net revenue	2,560,690	1,039,129	3,599,819	1,822	-	3,601,641
<b>Results</b>						
Segment results	354,412	468,060	822,472	(147,176)	(4,453)	670,843
Finance costs						(242,597)
Share of loss of joint ventures						(5,901)
Income tax expense						(111,657)
Profit after tax						310,688

\* EPCIC business activities recognition commenced in the second quarter of current financial year.

\*\* Renewables is a new start-up business segment in the current financial year since quarter 1.

### For the Nine Months Period Ended 31 October 2019

	Offshore Production & Offshore Marine RM'000	Other Operations RM'000	Consolidated RM'000
<b>Revenue</b>			
Gross revenue	699,868	354,844	1,054,712
Elimination	(44,392)	(346,919)	(391,311)
Net revenue	655,476	7,925	663,401
<b>Results</b>			
Segment results	353,369	13,457	366,826
Finance costs			(143,592)
Share of profit of joint ventures			11,672
Income tax expense			(50,484)
Profit after tax			184,422

For management purposes, the Group is organized into business units based on their product and services, and has the following operating segments:

- Offshore production & offshore marine segment consists of Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") business activities and Non-EPCIC business activities covering leasing of vessels and marine related services.
- Other operations mainly consist of investment, management services and treasury services.
- Renewables segment consists of owning and operating renewable energy generation assets.

Transactions between segments are carried out on mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation.

## 6. Segmental Information (continued)

### **Offshore Production & Offshore Marine**

Revenue for the financial period under review has increased significantly by RM2,944.34 million to RM3,599.82 million as compared to RM655.48 million in the corresponding financial period ended 31 October 2019. The increased revenue is mainly due to contribution from EPCIC business activities related to FPSO Anna Nery and FPSO Abigail Joseph as further deliberated in section "Consolidated profit after tax" below and contribution from FPSO Helang (which lease commenced on 6 December 2019). Meanwhile, the segment results is higher by RM469.10 million to RM822.47 million as compared to RM353.37 million in the corresponding financial period ended 31 October 2019 mainly attributed to aforementioned contribution effect from EPCIC business activities, FPSO Helang and higher other income, set-off by higher depreciation and amortization charges and higher impairment loss on property, plant and equipment.

### **Other Operations**

The segment results for financial period under review has incurred losses of RM147.18 million as compared to profit of RM13.46 million in the corresponding financial period ended 31 October 2019. The losses is mainly due to higher operation overheads arising from the change in composition to the segment from the group internal reorganisation exercise and a one-off USD20 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020.

### **Renewables**

This is a new start-up business segment in the current financial year since quarter 1. Further to the acquisition of 37.5% equity interest in RSE with 2 adjoining operational solar plants situated in India that has been concluded in March 2020, the Group entered into an agreement to acquire additional 57.5% equity interest in RSE.

### **Results of Joint Ventures and Associates**

Joint ventures have collectively resulted in share of losses RM5.90 million for the financial period under review as compared to share of profit RM11.67 million for the corresponding financial period ended 31 October 2019 mainly due to lower contribution rate from FPSO Lam Son pursuant to the finalized charter contract in March 2020 and higher operating overheads.

### **Consolidated profit after tax**

For the current financial period under review, the Group's profitability movement is mainly the result of the EPCIC business activities arising from the Group's undertaking in providing a floating production storage and offloading facility ("FPSO Anna Nery") through binding Letter of Intent received on 11 October 2019 from Petrobras with definitive contract subsequently signed on 23 March 2020. The contract is a multiple element arrangement, among others, contains an EPCIC component for the conversion of FPSO Anna Nery for which revenue will be recognised over time based on the progress and a finance lease component where leasing revenue will be recognised when FPSO Anna Nery commences its lease. In addition, the Group's FPSO Abigail Joseph commenced its lease after securing its 1st Oil Certificate on 28 October 2020 following successful 72-hour Stabilisation Testing.

## 6. Segmental Information (continued)

### **Consolidated profit after tax (continued)**

The Group's profit after tax increased by RM126.27 million or 68.47% to RM310.69 million as compared to RM184.42 million for the corresponding financial period ended 31 October 2019 attributed to the aforementioned contribution from EPCIC business activities and FPSO Helang, higher other income of RM32.09 million and impairment reversal on trade and other receivables and advances to a joint venture of RM10.34 million. The positive contributions was set-off mainly by higher depreciation and amortization charges of RM51.91 million, higher impairment loss on property, plant and equipment of RM16.75 million, presence of contract acquisition cost written off of RM92.43 million, deal deposit written off of RM84.81 million due to one-off deposit forfeiture as mentioned in "Other Operations" section above and higher finance cost of RM99.01 million mainly resulted from one-off charge out of remaining deferred financing cost associated to the repaid loan related to FPSO JAK's refinancing exercise concluded in April 2020 and financing of EPCIC business activities.

### **Consolidated financial position**

For the current financial period under review, the Group's current assets has increased by RM1,039.03 million or 47.35% to RM3,233.45 million from RM2,194.42 million for the last audited financial year ended 31 January 2020. The increase was mainly due to the strengthened cash equivalent assets resulted from additional draw-down of long term loans and borrowings. Whereas, the Group's current liabilities decreased by RM78.17 million or 5.16% to RM1,436.15 million from RM1,514.32 million for the last audited financial year ended 31 January 2020 mainly due to reduction in put option liability.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") improved to 2.25 times as compared to 1.45 times for the last audited financial year ended 31 January 2020. The improvement is in accordance to the deliberation on the movement of the Group's current assets and current liabilities; and Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances plus liquid investments" divided by "Total Equity") is 0.93 times as compared to 0.63 times for the last audited financial year ended 31 January 2020, due to higher Group's leverage mainly attributed to additional loans and borrowings drawdown to fund project execution needs.

## 7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000
Interest income	(2,066)	(7,048)	(13,404)	(18,949)
Other income including investment income	(10,592)	(2,705)	(38,057)	(5,966)
Finance costs	73,401	51,433	242,597	142,773
Depreciation of property, plant and equipment	63,741	61,303	188,079	174,766
Amortisation of intangible assets	13,998	1,374	42,626	4,031
Amortisation of unfavourable contracts	-	(26)	-	(4,962)
Loss on disposal on property, plant and equipment	52	4	115	890
Loss on disposal on other investments	157	225	1,743	610
Impairment loss/(Reversal of impairment loss) on trade and other receivables	46	(1,818)	(4,934)	2,248
Impairment loss/(Reversal of impairment loss) on advances to a joint venture	31	(1)	(3,395)	(241)
(Reversal of impairment loss)/Impairment loss on tax recoverable	(106)	-	11,725	-
Impairment loss on property, plant and equipment	-	25	21,634	4,887
Impairment loss on investment properties	-	2,400	3,222	2,400
Property, plant and equipment written off	-	4	-	28
Net loss/(gain) on foreign exchange	9,397	(7,860)	(4,019)	(8,610)
Net fair value loss/(gain) on other investments	29	(335)	(623)	(212)
Net fair value loss on derivatives	-	181	-	819
Deal deposit and bad debts written off	84,812	540	85,335	582

## 8. Income Tax Expense

The income tax expense consist of:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000	31.10.2020 Unaudited RM'000	31.10.2019 Unaudited RM'000
Current income tax	23,806	15,691	65,347	50,286
Deferred income tax	22,520	198	46,310	198
<b>Total income tax expense</b>	<b>46,326</b>	<b>15,889</b>	<b>111,657</b>	<b>50,484</b>

The effective tax rate for the current quarter and period ended 31 October 2020 is higher than the statutory tax rate in Malaysia mainly due to certain expense items having no tax impact under the relevant local tax jurisdiction.



## 9. Earnings Per Share

### (a) Basic

Basic earnings per share amount are calculated by dividing the profit for the current and cumulative quarter of the financial years, net of tax, attributable to owners of the Company by the weighted average number of shares outstanding during the financial period.

The following reflect the profit and share data used in the computation of basic earnings per share:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2020 Unaudited	31.10.2019 Unaudited	31.10.2020 Unaudited	31.10.2019 Unaudited
Profit net of tax attributable to owners of the Company used in the computation of EPS (RM'000)	100,729	53,967	247,801	144,963
Weighted average number of ordinary shares in issue ('000)	1,092,324	1,098,019	1,092,324	1,098,138
Basic earnings per share (sen)	9.22	4.91	22.69	13.20

### (b) Diluted

Diluted earnings per share are calculated by dividing the Group's profit for the financial period attributable to owners of the Company (adjusted for interest income, net of tax, earned on the proceeds arising from the conversion of the Employee Share Scheme ("ESS") options) ("Adjusted profit") by the weighted average number of ordinary shares as adjusted for the basic EPS and includes all potential dilutive shares arising from the ESS options granted by the reporting date, as if the options had been exercised on the first day of the financial year or the date of the grant, if later.

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2020 Unaudited	31.10.2019 Unaudited	31.10.2020 Unaudited	31.10.2019 Unaudited
Adjusted profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	100,729	54,464	247,801	146,955
Weighted average number of ordinary shares in issue ('000)	1,092,324	1,098,019	1,092,324	1,098,138
Adjustments for ESS ('000)	4,711	17,064	4,711	17,064
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,097,035	1,115,083	1,097,035	1,115,202
Diluted earnings per share (sen)	9.18	4.88	22.59	13.18

## **10. Acquisitions and disposals of property, plant and equipment**

There was no material acquisition and disposal during the current financial period under review except for acquisition of property, plant & equipment (“PPE”) with aggregate cost of RM387.92 million (31 October 2019: RM1,035.53 million).

## **11. Fair Value Hierarchy**

The Group uses the following hierarchy for determining the fair value of the financial instruments carried at fair value:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As at reporting date, the carrying amounts of marketable securities were measured using Level 1 method of hierarchy and interest rate swap were measured by using Level 2 method in the hierarchy in determining their fair value.

## **12. Debt and Equity Securities**

Save as disclosed below, there were no issuances, repayment of debts, share cancellations and resale of treasury shares during the current financial period under review.

- (a) The Company increased its issued and paid-up share capital by way of issuance of 4,192,000 new ordinary shares arising from the exercise of options under Employees’ Share Scheme; and
- (b) The Company repurchased 8,759,300 of its issued shares from open market on Bursa Malaysia Securities Berhad.

### 13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 October 2020 and 31 October 2019 are as follows:

	As at 31 October 2020		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
<b>Secured</b>			
Term loans	537,326	4,920,545	5,457,871
Revolving credits	417	-	417
	<b>537,743</b>	<b>4,920,545</b>	<b>5,458,288</b>
<b>Unsecured</b>			
Term loans	-	408,836	408,836
Revolving credits	63,399	-	63,399
	<b>63,399</b>	<b>408,836</b>	<b>472,235</b>
<b>Total loans and borrowings</b>	<b>601,142</b>	<b>5,329,381</b>	<b>5,930,523</b>

	As at 31 October 2019		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
<b>Secured</b>			
Term loans	329,709	3,542,523	3,872,232
Obligations under finance lease	277	831	1,108
Revolving credits	9,424	-	9,424
	<b>339,410</b>	<b>3,543,354</b>	<b>3,882,764</b>
<b>Unsecured</b>			
Revolving credits	4,201	-	4,201
	<b>4,201</b>	<b>-</b>	<b>4,201</b>
<b>Total loans and borrowings</b>	<b>343,611</b>	<b>3,543,354</b>	<b>3,886,965</b>

Except for the borrowings of RM5,867.12 million (31 October 2019: RM3,876.86 million) denominated in US Dollar, all other borrowings are denominated in Ringgit Malaysia.

Higher outstanding total loans and borrowings were mainly due to additional loan facilities drawdown for project and working capital purposes.

#### 14. Dividend Paid

Dividend approved and paid in respect of ordinary shares:

	As at 31 October 2020		As at 31 October 2019	
	Dividend per share Sen	Amount of single- tier dividend RM'000	Dividend per share Sen	Amount of single- tier dividend RM'000
The Company				
Final dividend in respect of the financial year ended: - 31 January 2020	2.0	21,324	-	-
Final dividend in respect of the financial year ended: - 31 January 2019	-	-	2.0	21,607
<b>Dividends recognised as distribution to ordinary equity holders of the Company</b>	<b>2.0</b>	<b>21,324</b>	<b>2.0</b>	<b>21,607</b>

#### 15. Capital Commitments

As at 31 October 2020, the capital commitments not provided for in the interim condensed financial statements were as follows:

- approved and contracted for – RM74.21 million

#### 16. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent assets and contingent liabilities since the last audited financial statements, except for corporate guarantee given for additional loans and borrowings secured during the current financial period.

#### 17. Events After the Reporting Date

There was no material event after the end of the current quarter.

## 18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2020 RM'000	31.10.2019 RM'000	31.10.2020 RM'000	31.10.2019 RM'000
<u>With companies controlled by Directors</u>				
Service fee income from King Kong Creative Media Sdn Bhd	5	5	15	14
Service fee income from Yinson Capital Sdn Bhd	39	20	110	59
Service fee income from Manja Studios Sdn Bhd	-	-	-	6
Service fee income from Liannex Enterprise Sdn Bhd	-	20	7	59
Service fee charges from Trillius Solutions Sdn Bhd	37	-	47	-
Sales of goods to Liannex Corporation (S) Pte Ltd	-	-	-	101
Sales of barges to Yinson Power Marine Sdn Bhd	-	-	-	1,600
<u>With Joint Ventures</u>				
Reimbursement from PTSC Ca Rong Do Ltd	13,212	-	76,995	-
Service Fee income from PTSC South East Asia Pte Ltd	-	-	43	-
Service Fee income from PTSC Asia Pacific Pte Ltd	67	-	110	-
Dividend income from PTSC South East Asia Pte Ltd	-	-	16,535	-
Interest income from Rising Sun Energy Private Limited	970	-	2,425	-
Finance Lease Income from Yinson Production (West Africa) Ltd	612	609	1,876	1,816
Management fee income from Yinson Production (West Africa) Ltd	2,171	2,908	7,802	7,315
Interest income from Yinson Production (West Africa) Ltd	205	368	758	1,472
Advances to Rising Sun Energy Private Limited	-	-	21,197	-

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that have been mutually agreed.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**19. Performance Review**

Explanatory comment on the performance of the Group's business activities is provided in Note 6.

**20. Material Changes in the Profit Before Taxation of Current Quarter Compared with Preceding Quarter**

	Current quarter 31.10.2020 RM'000	Immediate Preceding Quarter 31.7.2020 RM'000	Changes (Amount / %)	
Revenue	2,262,315	995,579	1,266,736	127.24%
Direct expenses	(1,808,898)	(670,404)	(1,138,494)	169.82%
Gross profit	453,417	325,175	128,242	39.44%
Other operating income	3,882	6,924	(3,042)	-43.93%
Administrative expenses	(199,456)	(79,430)	(120,026)	151.11%
Profit from operations	257,843	252,669	5,174	2.05%
Finance costs	(73,401)	(77,203)	3,802	-4.92%
Share of loss of joint ventures	(1,243)	(2,411)	1,168	-48.44%
Profit before tax	183,199	173,055	10,144	5.86%
Income tax expense	(46,326)	(45,193)	(1,133)	2.51%
<b>Profit after tax</b>	<b>136,873</b>	<b>127,862</b>	<b>9,011</b>	<b>7.05%</b>

Revenue for the financial period under review increased significantly by RM1,266.74 million to RM2,262.32 million as compared to the immediate preceding quarter of RM995.58 million is mainly due to the recognition of EPCIC business activities contribution. EPCIC business activities contributed RM1,906.10 million during the period under review based on the FPSO Anna Nery construction progress measured using input method in accordance to actual costs incurred and the commencement of lease for FPSO Abigail Joseph that give rise to an one-off outright sales recognition under a finance lease classification.

The Group's profit before tax for the third quarter of current financial year is higher by 5.86% or RM10.14 million to RM183.20 million as compared to the RM173.06 million in the immediate preceding quarter. The increase was mainly attributable to positive contribution from EPCIC business activities, absence of impairment loss in tax recoverable and property, plant and equipment of RM27.05 million and lower loss on foreign exchange of RM12.70 million. The positive contributions were set-off by lower other income of RM11.91 million, absence of impairment loss reversal on trade and other receivables and advances to a joint venture of RM8.48 million, higher contract acquisition cost written off of RM42.36 million and deal deposit written off of RM84.81 million associated with a one-off USD20 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020.

## **21. Commentary on Prospects**

The long-term outlook for the oil and gas industry remains challenging, with the emergence of new alternative energy sources and a lower financial institutions risk appetite towards the sector. Overall, the current global economy is exposed to the risk of ongoing trade protectionism, uncertain geopolitical conditions and the disruption of the global trade chain caused by Covid-19; bringing higher downside risks. Monetary policy instability in major economies and unsettled global trade disputes will likely result in prolonged negative effects to the world economy. The Management is cautiously confident in the Group's ability to stay resilient through the challenges with existing order books and a continued positive performance in project execution and operations.

Amid the challenging global economic environment and the volatility of other currencies against the US Dollar, the Group shall strive to achieve satisfactory results for the financial year ending 31 January 2021.

## **22. Profit Forecast**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests are not applicable.

## **23. Status of Corporate Proposals and Utilisation of Proceeds**

### Potential to acquire an additional stake in Rising Sun Energy Pte Ltd ("RSE")

On 21 August 2020, Yinson Renewables (S) Pte Ltd ("YRS"), an indirect wholly owned subsidiary of the Group, entered into a conditional Sale and Purchase Agreement with Sunseap International Pte Ltd, Charisma Energy Services Ltd and Bhadla Solar Investments Pte Ltd for the acquisition of 82,948,457 ordinary shares of INR13.26 (equivalent to approximately RM0.74) each in RSE representing 57.5% of the issued and paid-up share capital of RSE for a total cash consideration of INR1,100,078,407 (equivalent to approximately RM61,395,841). Upon Completion, YRS will hold 95% stake in RSE.

Barring any unforeseen circumstances, YRS targets to complete the acquisition in fourth quarter 2020.

## **24. Material Litigation**

On 6 March 2020, the Company announced that Globalmariner Offshore Services Sdn. Bhd. ("GMOS") has commenced an action against Yinson Holdings Berhad, Yinson Energy Sdn Bhd, a subsidiary company of the Group, and 9 others including TH Heavy Engineering Berhad and Floatech (L) Ltd in the Kuala Lumpur High Court by way of Suit No. WA-22NCVC-150-03/2020 dated 3 March 2020. Details of the claim are set out within the general announcement dated on 6 March 2020.

The Company has since engaged Counsel to defend against GMOS's alleged claims. Counsel is of the view that the claims are devoid of merit and the Company will defend the alleged claims rigorously. In this regard, at this juncture, the Company is not able to ascertain the financial impact arising from the claims. The claims, however, are not expected to have any material operational impact on the Company.

Any further material development of the above matter will be announced in due course.

## 25. Dividend Payable

The Board of Directors has in last quarter declared an interim single-tier dividend of 4.0 sen per ordinary share, amounting to approximately RM42.65 million, which is payable on 18 December 2020. The entitlement date for the dividend payment was 30 November 2020.

## 26. Derivatives

Details of derivative financial instruments outstanding as at 31 October 2020 are as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets/ (Liabilities)
	RM'000	RM'000
<u>Interest rate swaps</u> More than 3 years	4,206,541	(278,907)

The fair values of the interest rate swaps were based on quotes obtained from the respective counterparty banks.

### **Interest rate swaps**

The Group entered into the following interest rate swap contracts to mitigate the Group's exposure from fluctuations in interest rates arising from following floating rate term loans:

- i. contracts amounting to RM1,002.73 million that pays floating interest at 3 months US\$ LIBOR; and
- ii. contracts amounting to RM3,203.81 million that pays floating interest at 3 months US\$ LIBOR.

For items i and ii, the interest rate swaps have been designated as Cash Flows Hedge which were measured at fair value and the changes in fair value were taken to the cash flows hedge reserve. For the financial period ended 31 October 2020, the net fair value loss on interest rate swap derivative measured at fair value through the reserve is RM122.67 million.

## 27. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2020 was not qualified.

## 28. Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 December 2020.