



**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For The Nine Months Period Ended 31 October 2021**

	Individual Period (3rd quarter)				Cumulative Period			
	Current Year Quarter 31.10.2021 Unaudited RM million	Preceding Year Corresponding Quarter 31.10.2020 Unaudited RM million	Changes (Amount / %)		Current Year To date 31.10.2021 Unaudited RM million	Preceding Year Corresponding Period 31.10.2020 Unaudited RM million	Changes (Amount / %)	
			RM million	%			RM million	%
Revenue	820	2,263	(1,443)	-63.8%	2,866	3,602	(736)	-20.4%
Direct expenses	(506)	(1,821)	1,315	-72.2%	(1,879)	(2,655)	776	-29.2%
Gross profit	314	442	(128)	-29.0%	987	947	40	4.2%
Other operating income	8	4	4	100.0%	45	56	(11)	-19.6%
Administrative expenses	(60)	(188)	128	-68.1%	(206)	(332)	126	-38.0%
Profit from operations	262	258	4	1.6%	826	671	155	23.1%
Finance costs	(96)	(74)	(22)	29.7%	(276)	(243)	(33)	13.6%
Share of profit/(loss) of joint ventures	1	(1)	2	-200.0%	12	(6)	18	-300.0%
Share of loss of associates	(1)	-	(1)	-100.0%	(1)	-	(1)	-100.0%
Profit before tax	166	183	(17)	-9.3%	561	422	139	32.9%
Income tax expense	(40)	(47)	7	-14.9%	(131)	(112)	(19)	17.0%
<b>Profit for the period</b>	<b>126</b>	<b>136</b>	<b>(10)</b>	<b>-7.4%</b>	<b>430</b>	<b>310</b>	<b>120</b>	<b>38.7%</b>
<b>Profit attributable to:</b>								
Owners of the Company	98	101	(3)	-3.0%	336	248	88	35.5%
Non-controlling interests	28	35	(7)	-20.0%	94	62	32	51.6%
	126	136	(10)	-7.4%	430	310	120	38.7%
<b>Earnings per share attributable to owners of the Company:</b>								
Basic (sen)	9.2	9.5	(0.3)	-3.2%	31.5	23.2	8.3	35.8%
Diluted (sen)	9.2	9.4	(0.2)	-2.1%	31.5	23.1	8.4	36.4%

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 2021**

	Individual Period (3rd quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (Amount / %)		Current Year To date	Preceding Year Corresponding Period	Changes (Amount / %)	
	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million	RM million	%	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million	RM million	%
Profit for the period	126	136	(10)	-7.4%	430	310	120	38.7%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	(87)	(57)	(30)	52.6%	111	59	52	88.1%
- Cash flows hedge reserve	72	58	14	24.1%	88	(160)	248	-155.0%
- Reclassification of changes in fair value of cash flow hedges	17	17	-	0.0%	50	37	13	35.1%
- Put option reserve	4	(20)	24	-120.0%	(5)	(15)	10	-66.7%
<b>Total comprehensive income for the period</b>	<b>132</b>	<b>134</b>	<b>(2)</b>	<b>-1.5%</b>	<b>674</b>	<b>231</b>	<b>443</b>	<b>191.8%</b>
<b>Total comprehensive income/(loss) for the period attributable to:</b>								
Owners of the Company	94	64	30	46.9%	541	187	354	189.3%
Non-controlling interests	38	70	(32)	-45.7%	133	44	89	202.3%
	<b>132</b>	<b>134</b>	<b>(2)</b>	<b>-1.5%</b>	<b>674</b>	<b>231</b>	<b>443</b>	<b>191.8%</b>

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 2021**

	AS AT 31.10.2021 Unaudited RM million	AS AT 31.1.2021 Audited RM million
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,937	4,006
Investment properties	15	15
Intangible assets	307	338
Investment in joint ventures	405	427
Investment in associates	122	2
Deferred tax assets	5	3
Other assets	133	122
Finance lease receivables	2,085	2,089
Contract assets	4,086	2,206
	<b>11,095</b>	<b>9,208</b>
<b>Current assets</b>		
Inventories	3	3
Trade and other receivables	524	397
Amounts due from joint ventures	75	101
Other assets	75	50
Finance lease receivables	86	77
Other investments	130	229
Cash and bank balances	1,945	1,821
	<b>2,838</b>	<b>2,678</b>
<b>TOTAL ASSETS</b>	<b>13,933</b>	<b>11,886</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 October 2021**

	AS AT 31.10.2021 Unaudited RM million	AS AT 31.1.2021 Audited RM million
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,127	1,126
Treasury shares	(177)	(174)
Foreign currency translation reserve	177	77
Cash flows hedge reserve	(79)	(189)
Share-based option reserve	10	8
Share grant reserve	19	8
Put option reserve	(125)	(181)
Retained earnings	1,332	1,164
<b>Equity attributable to owners of the Company</b>	<b>2,284</b>	<b>1,839</b>
Perpetual securities issued by subsidiaries	1,848	1,848
Non-controlling interests	441	339
<b>Total equity</b>	<b>4,573</b>	<b>4,026</b>
<b>Non-current liabilities</b>		
Loans and borrowings	5,037	5,312
Lease liabilities	6	13
Other payables	511	384
Derivatives	77	204
Deferred tax liabilities	163	95
	<b>5,794</b>	<b>6,008</b>
<b>Current liabilities</b>		
Loans and borrowings	2,358	794
Lease liabilities	11	14
Trade and other payables	1,043	817
Derivatives	10	21
Put option liability	125	181
Tax payables	19	25
	<b>3,566</b>	<b>1,852</b>
<b>Total liabilities</b>	<b>9,360</b>	<b>7,860</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,933</b>	<b>11,886</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.08</b>	<b>1.67</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 2021

	Attributable to owners of the Company									Perpetual securities of subsidiaries RM million	Non-controlling interests RM million	Total equity RM million
	Share capital RM million	Treasury shares RM million	Foreign currency translation reserve RM million	Cash flows hedge reserve RM million	Share-based option reserve RM million	Share grant reserve RM million	Put option reserve RM million	Retained earnings RM million	Total equity attributable to owners of the Company RM million			
<b>At 1 February 2020</b>	1,107	(125)	142	(132)	7	-	(413)	1,050	1,636	1,848	290	3,774
Total comprehensive income/(loss) for the period	-	-	53	(98)	-	-	(15)	247	187	-	44	231
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(104)	(104)	-	-	(104)
Effect of changes in shareholding in subsidiaries	-	-	-	-	-	-	-	1	1	-	108	109
Exercise of ESS	17	-	-	-	(3)	-	-	-	14	-	-	14
Issuance of ESS	-	-	-	-	3	-	-	-	3	-	-	3
Effect of long-term incentive plan	-	-	-	-	-	2	-	-	2	-	-	2
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(21)	(21)	-	-	(21)
Dividends payable to owners of the Company	-	-	-	-	-	-	-	(43)	(43)	-	-	(43)
Cash dividends to non-controlling interests	-	-	-	-	-	-	105	-	105	-	(105)	-
Capital reduction to non-controlling interests	-	-	-	-	-	-	136	-	136	-	(136)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	101	101
Purchase of treasury shares	-	(46)	-	-	-	-	-	-	(46)	-	-	(46)
<b>At 31 October 2020 (Unaudited)</b>	<b>1,124</b>	<b>(171)</b>	<b>195</b>	<b>(230)</b>	<b>7</b>	<b>2</b>	<b>(187)</b>	<b>1,130</b>	<b>1,870</b>	<b>1,848</b>	<b>302</b>	<b>4,020</b>
<b>At 1 February 2021</b>	1,126	(174)	77	(189)	8	8	(181)	1,164	1,839	1,848	339	4,026
Total comprehensive income/(loss) for the period	-	-	100	110	-	-	(5)	336	541	-	133	674
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(104)	(104)	-	-	(104)
Exercise of ESS	1	-	-	-	-	-	-	-	1	-	-	1
Issuance of ESS	-	-	-	-	2	-	-	-	2	-	-	2
Effect of long-term incentive plan	-	-	-	-	-	11	-	-	11	-	-	11
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(21)	(21)	-	-	(21)
Dividends payable to owners of the Company	-	-	-	-	-	-	-	(43)	(43)	-	-	(43)
Cash dividends to non-controlling interests	-	-	-	-	-	-	61	-	61	-	(61)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	30	30
Purchase of treasury shares	-	(3)	-	-	-	-	-	-	(3)	-	-	(3)
<b>At 31 October 2021 (Unaudited)</b>	<b>1,127</b>	<b>(177)</b>	<b>177</b>	<b>(79)</b>	<b>10</b>	<b>19</b>	<b>(125)</b>	<b>1,332</b>	<b>2,284</b>	<b>1,848</b>	<b>441</b>	<b>4,573</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 2021**

	Cumulative Period	
	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million
<b>OPERATING ACTIVITIES</b>		
Profit before tax	561	422
Adjustments for:		
Amortisation and depreciation	224	231
Unrealised (gain)/loss on foreign exchange	(15)	(11)
Finance costs	276	243
(Gain)/Loss on disposal on other investments	1	2
Fair value (gain)/loss on investment properties	-	3
Impairment loss/(Reversal of impairment loss):		
- Property, plant and equipment	3	22
- Trade and other receivables	2	(5)
- Advances to a joint venture	-	(3)
- Tax recoverable	-	12
Net fair value (gain)/loss on other investments	-	(1)
Property, plant and equipment written off	1	-
Deal deposit and bad debts written off	-	85
Share of (profit)/loss of joint ventures	(12)	6
Share of loss of associates	1	-
Finance lease income	(256)	(131)
Interest income	(18)	(15)
Equity settled share-based payment transaction	13	5
Operating cash flows before working capital changes	781	865
Receivables	(41)	60
Contract assets	(1,814)	(1,422)
Other current assets	30	1
Inventories	-	18
Payables	132	(21)
Cash flows used in operations	(912)	(499)
Finance lease payments received	228	162
Interest received	18	15
Finance costs paid	(4)	(4)
Tax paid	(74)	(105)
<b>Net cash flows used in operating activities</b>	<b>(744)</b>	<b>(431)</b>
<b>INVESTING ACTIVITIES</b>		
Investment in a joint venture	-	(32)
Investment in associates	(121)	-
Dividend received from joint ventures	47	17
Deposit received for sales of shares in a subsidiary	-	21
Proceeds from partial redemption of investment	77	-
Proceeds from disposal of other investments	85	133
Proceeds from disposal of property, plant and equipment	10	-
Proceeds from disposal of shareholdings in a subsidiary	-	109
Purchase of intangible assets	-	(3)
Purchase of property, plant and equipment	(17)	(353)
Purchase of other investments	(58)	(48)
Deposits paid for acquisition of property, plant and equipment	(28)	-
Net movement in restricted cash	(851)	(86)
<b>Net cash flows used in investing activities</b>	<b>(856)</b>	<b>(242)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Nine Months Period Ended 31 October 2021**

	Cumulative Period	
	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million
<b>FINANCING ACTIVITIES</b>		
Dividends paid to owners of the Company	(21)	(21)
Dividends paid to non-controlling interests	(61)	(105)
Proceeds of loans from non-controlling interests	173	56
Capital contribution from non-controlling interests	-	93
Capital reduction to non-controlling interests	-	(136)
Drawdown of loans and borrowings	1,617	5,128
Perpetual securities distribution paid	(104)	(107)
Proceeds from equity-settled share-based options	1	14
Purchase of treasury shares	(3)	(46)
Repayment of loans and borrowings	(545)	(3,009)
Repayment of lease liabilities	(11)	(9)
Finance costs paid	(198)	(279)
<b>Net cash flows generated from financing activities</b>	<b>848</b>	<b>1,579</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(752)</b>	<b>906</b>
Effects of foreign exchange rate changes	10	20
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>1,329</b>	<b>886</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>587</b>	<b>1,812</b>
	<b>As at 31.10.2021 Unaudited RM million</b>	<b>As at 31.10.2020 Unaudited RM million</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	1,945	2,294
Less: Restricted cash	(1,358)	(482)
	<b>587</b>	<b>1,812</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 2021 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 2021. 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 2021 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 February 2021.

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 "Interest Rate Benchmark Reform—Phase 2"
- Amendments to MFRS 16 "COVID-19 Related Rent Concessions"

The adoption of the above amendments to published standards is not expected to 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 2022

- Annual Improvements to MFRS 9 "Fees in the 10% Test for Derecognition of Financial Liabilities"
- Amendments to MFRS 3 "Reference to Conceptual Framework"
- Amendments to MFRS 116 "Proceeds Before Intended Use"
- Amendments to MFRS 137 "Onerous Contracts—Cost of Fulfilling A Contract"

#### Effective for financial periods beginning on or after 1 February 2023

- Amendments to MFRS 101 "Classification of Liabilities as Current or Non-Current"
- Amendments to MFRS 101 "Disclosure of Accounting Policies"
- Amendments to MFRS 108 "Definition of Material"

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 2021, except the continued impact of the Covid-19 outbreak, which the World Health Organisation declared as a pandemic since 11 March 2020. Even with countries introducing their respective vaccination programmes, the pandemic situation is expected to remain a significant challenge to the global communities for the next 1 to 2 years, affecting business and social activities. Encouragingly, the Group's business continuity plans have succeeded to ensure minimum disruption to its daily operations.

Threats and uncertainties which stemmed from the pandemic are mitigated by the fact that the Group's revenue stream comes primarily from long-term fixed priced contracts with reputable oil companies. Nevertheless, the Group will 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 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 the virus 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. Hence, 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 2022.

### 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 2021 except for:

#### (a) Incorporation of subsidiaries

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
Rising Sun Energy 3 Pvt Ltd	17 February 2021	India	80%	Generation of electricity through renewable resources
YR New Zealand Pte Ltd	24 March 2021	Singapore	100%	Investment holding and provision of management services
YR Pouto Wind Pte Ltd	24 March 2021	Singapore	100%	Investment holding and provision of 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 2021 except for: (continued)

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

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
Yinson Green Technologies (M) Sdn Bhd	25 March 2021	Malaysia	100%	Investment holding and provision of management services
Yinson EV Charge Sdn Bhd	30 March 2021	Malaysia	100%	Investment holding and provision of management services
Pouto Wind Limited	13 April 2021	New Zealand	100%	Wind electricity generation
Rising Sun Energy 2 Private Limited	23 August 2021	India	80%	Generation and distribution of electricity through renewable resources
Yinson Green Technologies AS	24 August 2021	Norway	100%	Investment holding and provision of management services
Santa Giusta Solar S.R.L	27 September 2021	Italy	100%	Generation of electricity through renewable resources

### (b) Acquisition of associates

On 31 March 2021, Yinson Venture Capital Pte. Ltd. ("YVCPL"), an indirect wholly-owned subsidiary of the Group, completed the acquisition of its 10.4% equity interest in Lift Ocean AS for a total cash consideration of NOK2 million (RM1 million).

On 4 June 2021, YVCPL completed the acquisition of its 5.36% equity interest in MooVita Pte. Ltd. for a total cash consideration of SGD5 million (RM16 million).

On 11 June 2021, YVCPL completed the acquisition of its 20.8% equity interest in Oyika Pte. Ltd. for a total cash consideration of USD5 million (RM21 million).

On 6 October 2021, YVCPL completed the acquisition of its 20% equity interest in Shift Clean Energy for a total cash consideration of USD20 million (RM83 million).

## 6. Segment information

### For the Nine Months Period Ended 31 October 2021

	Offshore Production & Offshore Marine			Renewables	Other Operations	Consolidated
	EPCIC	Non-EPCIC	Total			
	RM million	RM million	RM million	RM million	RM million	RM million
<b>Revenue</b>						
Gross revenue	1,814	1,419	3,233	56	235	3,524
Elimination	-	(424)	(424)	-	(234)	(658)
Net revenue	1,814	995	2,809	56	1	2,866
<b>Results</b>						
Segment results	307	561	868	28	(70)	826
Finance costs						(276)
Share of profit of joint ventures						12
Share of loss of associates						(1)
Income tax expense						(131)
Profit after tax						430

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

	Offshore Production & Offshore Marine			Renewables	Other Operations	Consolidated
	EPCIC	Non-EPCIC	Total			
	RM million	RM million	RM million	RM million	RM million	RM million
<b>Revenue</b>						
Gross revenue	2,561	1,522	4,083	-	394	4,477
Elimination	-	(483)	(483)	-	(392)	(875)
Net revenue	2,561	1,039	3,600	-	2	3,602
<b>Results</b>						
Segment results	354	468	822	(4)	(147)	671
Finance costs						(243)
Share of loss of joint ventures						(6)
Income tax expense						(112)
Profit after tax						310

For management purposes, the Group is organised into business units based on their products 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.

### Offshore Production & Offshore Marine

Revenue for the financial period under review is lower by RM791 million to RM2,809 million as compared to RM3,600 million in the corresponding financial period ended 31 October 2020. The decrease in revenue is mainly due to the absence of the one-off outright sale recognition of RM1,139 million from FPSO Abigail-Joseph upon its lease commencement in October 2020 partially offset by the increased contribution from EPCIC business activities related to FPSO Anna Nery. Nevertheless, the segment recorded higher results by RM46 million to RM868 million as compared to RM822 million in the corresponding financial period ended 31 October 2020 mainly compensated by the absence of one-off contract acquisition costs written off incurred in the previous financial year and fresh contribution from lease operation of FPSO Abigail-Joseph since October 2020.

## 6. Segment information (continued)

### Other Operations

The segment has incurred losses of RM70 million for the financial period under review as compared to losses of RM147 million in the corresponding financial period ended 31 October 2020. The lower losses were mainly due to absence of one-off USD20 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020.

### Renewables

The segment results for the financial period under review has increased by RM32 million to RM28 million as compared to loss of RM4 million in the corresponding financial period ended 31 October 2020. The positive results are contributed from its acquired subsidiary, Rising Sun Energy Private Limited ("RSE"), an India-incorporated company with two operational solar plants in the Bhadla Solar Park, Rajasthan, India.

### Results of Joint Ventures

Joint ventures have collectively contributed share of profit of RM12 million for the financial period under review as compared to share of loss of RM6 million for the corresponding financial period ended 31 October 2020 mainly due to recovery of certain operating overheads incurred in the previous year.

### Consolidated profit after tax

The Group's profit after tax increased by RM120 million or 38.7% to RM430 million as compared to RM310 million for the corresponding financial period ended 31 October 2020, which was mainly attributed to fresh contribution from FPSO Abigail-Joseph which commenced its lease in October 2020. Additional positive contributions for the reported period came from the absence of contract acquisition costs written off of RM92 million, absence of impairment loss on tax recoverable of RM12 million, decrease in impairment loss on property, plant and equipment of RM19 million, increase in the favourable foreign exchange movement of RM17 million and absence of one-off RM85 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020. The positive contributions were partially offset by the absence of one-off outright sale contribution from FPSO Abigail-Joseph upon its lease commencement in October 2020, decrease in other income of RM11 million and increase in finance costs of RM33 million where this increase in finance costs was offset by the absence of one-off recycling of remaining deferred financing cost of RM41 million associated to the repaid loan upon completion of FPSO JAK's refinancing exercise in April 2020.

### Consolidated financial position

For the current financial period under review, the Group's current assets increased marginally by RM160 million to RM2,838 million from RM2,678 million for the last audited financial year ended 31 January 2021. The Group's current liabilities increased by RM1,714 million to RM3,566 million from RM1,852 million for the last audited financial year ended 31 January 2021 mainly arising from additional loans and borrowings drawdown and increased payables position to fund the EPCIC business activities related to FPSO Anna Nery.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 0.80 times as compared to 1.45 times of the last audited financial year ended 31 January 2021. The lower ratio is in accordance with the deliberation on the movement of the Group's current assets and current liabilities. Current ratio is expected to improve upon the drawdown of a secured USD670 million syndicated long-term loan facility for the FPSO Anna Nery project to repay the existing utilised short-term bridge loan.

Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances plus liquid investments" divided by "Total Equity") is 1.16 times as compared to 1.01 times for the last audited financial year ended 31 January 2021. The change is the result of the Group's higher leverage on additional loans and borrowings drawdown to fund project execution needs where the ratio is moderated by the Group's enhanced total equity position of RM4,573 million.

## 7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million
Interest income	(6)	(3)	(18)	(15)
Other income including investment income	(4)	(11)	(8)	(38)
Finance costs	96	74	276	243
Depreciation of property, plant and equipment	64	64	183	188
Amortisation of intangible assets	14	14	41	43
(Gain)/Loss on disposal on other investments	1	-	1	2
Impairment loss/(Reversal of impairment loss):				
- Trade and other receivables	-	-	2	(5)
- Advances to a joint venture	-	-	-	(3)
- Tax recoverable	-	-	-	12
- Property, plant and equipment	-	-	3	22
Fair value (gain)/loss on investment properties	-	-	-	3
Property, plant and equipment written off	1	-	1	-
Net loss/(gain) on foreign exchange	1	9	(21)	(4)
Net fair value (gain)/loss on other investments	-	-	-	(1)
Deal deposit and bad debts written off	-	84	-	85

## 8. Income Tax Expense

The income tax expense consists of:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million	31.10.2021 Unaudited RM million	31.10.2020 Unaudited RM million
Current income tax	22	24	69	66
Deferred income tax	18	23	62	46
<b>Total income tax expense</b>	<b>40</b>	<b>47</b>	<b>131</b>	<b>112</b>

The effective tax rate for the current quarter ended 31 October 2021 is higher than the statutory tax rate of Malaysia mainly due to the Group operating in certain jurisdictions of higher corporate tax rates and 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	
	31.10.2021 Unaudited	31.10.2020 Unaudited	31.10.2021 Unaudited	31.10.2020 Unaudited
Profit net of tax attributable to owners of the Company used in the computation of EPS (RM million)	98	101	336	248
Weighted average number of ordinary shares in issue ('000)	1,065,139	1,067,339	1,065,139	1,067,339
Basic earnings per share (sen)	9.2	9.5	31.5	23.2

### (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	
	31.10.2021 Unaudited	31.10.2020 Unaudited	31.10.2021 Unaudited	31.10.2020 Unaudited
Adjusted profit net of tax attributable to owners of the parent used in the computation of EPS (RM million)	98	101	336	248
Weighted average number of ordinary shares in issue ('000)	1,065,139	1,067,339	1,065,139	1,067,339
Adjustments for ESS ('000)	2,453	4,711	2,453	4,711
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,067,592	1,072,050	1,067,592	1,072,050
Diluted earnings per share (sen)	9.2	9.4	31.5	23.1

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

There was no material acquisition and disposal during the current financial period under review.

## 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.

## 11. Fair Value Hierarchy (continued)

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

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 swaps 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 293,900 new ordinary shares arising from the exercise of options under Employees' Share Scheme; and
- (b) The Company repurchased 605,000 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 2021 and 31 October 2020 are as follows:

	As at 31 October 2021		
	Short term RM million	Long term RM million	Total borrowings RM million
<b>Secured</b>			
Term loans	2,213	4,619	6,832
Revolving credits	67	-	67
	2,280	4,619	6,899
<b>Unsecured</b>			
Term loans	-	418	418
Revolving credits	78	-	78
	78	418	496
<b>Total loans and borrowings</b>	<b>2,358</b>	<b>5,037</b>	<b>7,395</b>

	As at 31 October 2020		
	Short term RM million	Long term RM million	Total borrowings RM million
<b>Secured</b>			
Term loans	537	4,921	5,458
Revolving credits	*	-	-
	537	4,921	5,458
<b>Unsecured</b>			
Term loans	-	410	410
Revolving credits	63	-	63
	63	410	473
<b>Total loans and borrowings</b>	<b>600</b>	<b>5,331</b>	<b>5,931</b>

\* less than RM1 million

### 13. Interest-bearing Loans and Borrowings (continued)

Except for the borrowings of RM7,002 million (31 October 2020: RM5,867 million) denominated in US Dollar and RM315 million (31 October 2020: NIL) denominated in Indian Rupee, all other borrowings are denominated in Ringgit Malaysia.

Increase in outstanding total loans and borrowings was 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 2021		As at 31 October 2020	
	Dividend per share Sen	Amount of single-tier dividend RM million	Dividend per share Sen	Amount of single-tier dividend RM million
The Company				
Final dividend in respect of the financial year ended: - 31 January 2021	2.0	21	-	-
Final dividend in respect of the financial year ended: - 31 January 2020	-	-	2.0	21
<b>Dividends recognised as distribution to ordinary equity holders of the Company</b>	<b>2.0</b>	<b>21</b>	<b>2.0</b>	<b>21</b>

### 15. Capital Commitments

As at 31 October 2021, the capital commitments not provided for in the interim condensed financial statements were as follows:

- approved and contracted for – RM162 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.

### 17. Material Events After the Reporting Date

(a) Letters of Intent Awarded for Chartering and Provision of Floating Production Storage and Offloading (“FPSO”) Services

On 12 November 2021, Yinson Production Pte Ltd (“YPPL”), an indirect wholly owned subsidiary of the Company, incorporated in Singapore, has been awarded two Letters of Intent (collectively “LOIs”) by Petróleo Brasileiro S.A. (“Petrobras”) for, respectively, the provision of:

- a floating production storage and offloading facility Integrado Parque das Baleias (“IPB FPSO”) to be based in the North Campos Basin, Offshore Brazil; and
- operation and maintenance services during the charter phase of IPB FPSO.

Following the LOIs, Yinson Bergenia Production B.V. (“YBPBV”), an indirect subsidiary of the Company, incorporated in the Netherlands, will enter into a charter contract with Petrobras for the provision of IPB FPSO (“Charter Contract”) and Yinson Bergenia Serviços de Operação Ltda., a wholly-owned subsidiary of YBPBV, incorporated in Brazil, will enter into a service contract with Petrobras for the provision of operation and maintenance services of IPB FPSO (“Service Contract”) (The Charter Contract and Service Contract are collectively referred as the “Contracts”). The LOIs represent Petrobras’ formal agreement to the final proposals submitted by YPPL and constitute binding documents between the parties pending the execution of the Contracts.



## 17. Material Events After the Reporting Date (continued)

### (a) Letters of Intent Awarded for Chartering and Provision of Floating Production Storage and Offloading (“FPSO”) Services (continued)

A summary of the salient terms of the Contracts is as follows:

- i) The term of the charter is for a fixed period of 8,218 days or approximately 22.5 years under the Contracts from the date of final acceptance of IPB FPSO with no options for extension thereafter;
- ii) The estimated aggregate value of the Contracts is approximately equivalent to USD5.2 billion (equivalent to approximately RM21.7 billion), subject to the terms and condition of the Contracts; and
- iii) IPB FPSO is expected to commence operation by the fourth quarter of 2024

The Contracts is expected to contribute positively to the earnings and net assets per share of the Group during the tenure of the Contracts.

### (b) Sustainability-Linked Sukuk Issuance of RM1 billion (‘Sukuk Wakalah’)

On 7 December 2021, the Company issued Sustainability-Linked Sukuk of RM1.0 billion in nominal value out of its RM1.0 billion Sukuk Wakalah Programme. The Sustainability-Linked Sukuk has a tenor of 5-years and profit rate of 5.55% per annum.

The Sustainability-Linked Sukuk is tied to 3 Sustainability Performance Targets and to be achieved by the observation date of 31 January 2025:

- i) Increase renewable energy generation of Yinson controlled plants;
- ii) Decrease the Group’s carbon intensity per barrel of oil equivalent; and
- iii) Decrease the Group’s carbon intensity per megawatt-hour

Should the targets not be met, a maximum of 25bps profit rate step up would be triggered across remaining profit payment dates.

## 18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative 9 months ended	
	31.10.2021 RM million	31.10.2020 RM million	31.10.2021 RM million	31.10.2020 RM million
<u>Joint ventures</u>				
- dividend income	17	-	47	17
- interest income	-	1	-	3
- management fee income	-	2	6	8
- finance lease income	1	1	2	2
- reimbursement	1	12	3	32
- advances	-	-	-	21
- repayment of advances	-	12	-	12

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**

	<b>Current quarter 31.10.2021 RM million</b>	<b>Immediate Preceding Quarter 31.7.2021 RM million</b>	<b>Changes</b>	
			<b>RM million</b>	<b>%</b>
Revenue	820	1,054	(234)	-22.2%
Direct expenses	(506)	(705)	199	-28.2%
Gross profit	314	349	(35)	-10.0%
Other operating income	8	24	(16)	-66.7%
Administrative expenses	(60)	(78)	18	-23.1%
Profit from operations	262	295	(33)	-11.2%
Finance costs	(96)	(96)	-	0.0%
Share of profit of joint ventures	1	9	(8)	-88.9%
Share of loss of associates	(1)	-	(1)	-100.0%
Profit before tax	166	208	(42)	-20.2%
Income tax expense	(40)	(49)	9	-18.4%
<b>Profit after tax</b>	<b>126</b>	<b>159</b>	<b>(33)</b>	<b>-20.8%</b>

For the quarter under review, the Group reported a lower revenue of RM820 million compared to Q2 FY22's revenue of RM1,054 million. The decrease was mainly due to scheduled lower progress in EPCIC business activities, i.e. the FPSO Anna Nery conversion.

The Group's profit before tax for the third quarter of current financial year decreased by 20.2% or RM42 million to RM166 million as compared to the RM208 million in the preceding quarter. The decrease was mainly due to the aforementioned lower progress from EPCIC business activities and net unfavourable foreign exchange movement of RM16 million.

**21. Commentary on Prospects**

Global energy demand is anticipated to rise, which provides a positive outlook for the energy industry as a whole. While alternative energy sources, such as renewables, are forecasted to have the steepest growth curve in the global energy mix, the contribution of oil & gas is anticipated to remain significant, even in the longer term.

As oil & gas is currently Yinson's primary source of revenue, we are cognisant of the challenges faced by the industry, including the changing appetite of financial institutions towards the industry and climate change risk. On a global level, the world economy is exposed to the risk of ongoing trade protectionism, uncertain geopolitical conditions and the disruption of the global supply 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.

## **21. Commentary on Prospects (continued)**

As a global energy solutions provider with a leadership position in sustainability; alongside diversified businesses in oil & gas, renewables and green technologies, the Management is confident that the Group is well positioned to ride the energy transition and manage the various risks presented. Together with recent project wins that boosts the Group's orderbook up till 2048, and a strong team to support project management and operations, the Management is optimistic of the Group's ability to stay resilient through challenges. Amid the challenging global economic environment and the volatility of other currencies against the US Dollar, the Group strives to achieve satisfactory results for the financial year ending 31 January 2022.

## **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**

There was no corporate proposal announced but not completed as at the date of issue of the quarterly report.

## **24. Material Litigation**

On 6 March 2020, the Company announced that Globalmariner Offshore Services Sdn. Bhd. ("GMOS") has commenced an action against the Company, its subsidiary Yinson Energy Sdn. Bhd. ("YESB"), and 9 others ("Defendants") including TH Heavy Engineering Berhad ("THHE") and Floatech (L) Ltd ("FLOATECH") in the Kuala Lumpur High Court by way of Suit No. WA-22NCVC-150-03/2020 dated 3 March 2020 ("Suit").

The Writ of Summons, together with the Statement of Claim in the Suit was ordered to be struck out by an Order of Court dated 31 March 2021, pursuant to a successful application made by the Defendants to strike out the said Writ of Summons and Statement of Claim, with costs ordered against GMOS in favour of the Company, YESB and one of the Company's directors, Mr. Lim Chern Yuan (who was named as a defendant in the Suit) in respect of the successful application to strike out the said Writ of Summons and Statement of Claim.

On 8 April 2021, a Notice of Appeal was filed with the Court of Appeal in Malaysia by GMOS concerning the judgment made against them. On 26 November 2021, GMOS, through their Counsel, executed various Notices of Discontinuance with respect to the said appeals, thereby withdrawing from further proceeding with the same.

With the lodgement of the said Notices of Discontinuance, the order for the Writ of Summons, together with the Statement of Claim in the Suit to be struck out, is now permanent and final.

## **25. Dividend Payable**

In the previous quarter, The Board of Directors has declared an interim single-tier dividend of 4.0 sen per ordinary share for the financial year ending 31 January 2022, amounting to approximately RM43 million, which is paid on 17 December 2021. The entitlement date for the dividend payment was 30 November 2021.

## 26. Derivatives

Details of derivative financial instruments outstanding as at 31 October 2021 are as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets/ (Liabilities)
	RM million	RM million
<u>Interest rate swaps</u> More than 3 years	3,818	(87)

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 the following floating rate term loans:

- i. contracts amounting to RM880 million that pays floating interest at 3 months US\$ LIBOR; and
- ii. contracts amounting to RM2,938 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 2021, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM138 million.

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

The Auditors' Report on the financial statements for the financial year ended 31 January 2021 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 17 December 2021.