YINSON HOLDINGS BERHAD
Registration No: 199301004410 (259147-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Twelve Months Period Ended 31 January 2022

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter 31.1.2022 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2021 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year To date 31.1.2022 Unaudited RM million	Preceding Year Corresponding Period 31.1.2021 Audited RM million	Changes (Amount / %) RM million	%
Revenue	741	1,247	(506)	-40.6%	3,607	4,849	(1,242)	-25.6%
Direct expenses	(420)	(893)	473	-53.0%	(2,299)	(3,548)	1,249	-35.2%
Gross profit	321	354	(33)	-9.3%	1,308	1,301	7	0.5%
Other operating income	56	2	54	2700.0%	101	58	43	74.1%
Administrative expenses	(106)	(99)	(7)	7.1%	(312)	(431)	119	-27.6%
Profit from operations	271	257	14	5.4%	1,097	928	169	18.2%
Finance costs	(112)	(76)	(36)	47.4%	(388)	(319)	(69)	21.6%
Share of (loss)/profit of joint ventures	(2)	(23)	21	-91.3%	10	(29)	39	-134.5%
Share of loss of associates	(2)	-	(2)	-100.0%	(3)	-	(3)	-100.0%
Profit before tax	155	158	(3)	-1.9%	716	580	136	23.4%
Income tax expense	(61)	(56)	(5)	8.9%	(192)	(168)	(24)	14.3%
Profit for the period/year	**94**	**102**	**(8)**	**-7.8%**	**524**	**412**	**112**	**27.2%**
Profit attributable to:								
Owners of the Company	65	67	(2)	-3.0%	401	315	86	27.3%
Non-controlling interests	29	35	(6)	-17.1%	123	97	26	26.8%
	94	102	(8)	-7.8%	524	412	112	27.2%
Earnings per share attributable to owners of the Company:								
Basic (sen)	6.1	6.3	(0.2)	-3.2%	37.6	29.5	8.1	27.5%
Diluted (sen)	6.1	6.3	(0.2)	-3.2%	37.5	29.4	8.1	27.6%

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

YINSON HOLDINGS BERHAD (Registration No: 199301004410 (259147-A))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Twelve Months Period Ended 31 January 2022

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter 31.1.2022 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2021 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year To date 31.1.2022 Unaudited RM million	Preceding Year Corresponding Period 31.1.2021 Audited RM million	Changes (Amount / %) RM million	%
Profit for the period/year	94	102	(8)	-7.8%	524	412	112	27.2%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	33	(132)	165	-125.0%	144	(73)	217	-297.3%
- Cash flows hedge reserve	46	38	8	21.1%	134	(122)	256	-209.8%
- Reclassification of changes in fair value of cash flow hedges	16	16	-	0.0%	66	53	13	24.5%
- Put option reserve	(2)	7	(9)	-128.6%	(7)	(8)	1	-12.5%
Total comprehensive income for the period/year	**187**	**31**	**156**	**503.2%**	**861**	**262**	**599**	**228.6%**
Total comprehensive income/(loss) for the period/year								
attributable to:								
Owners of the Company	141	(2)	143	-7150.0%	682	185	497	268.6%
Non-controlling interests	46	33	13	39.4%	179	77	102	132.5%
	187	31	156	503.2%	861	262	599	228.6%

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

YINSON HOLDINGS BERHAD (Registration No: 199301004410 (259147-A))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2022

	AS AT 31.1.2022 Unaudited RM million	AS AT 31.1.2021 Audited RM million
ASSETS		
Non-current assets		
Property, plant and equipment	3,822	4,006
Investment properties	15	15
Intangible assets	297	338
Investment in joint ventures	419	427
Investment in associates	125	2
Deferred tax assets	3	3
Other receivables	81	110
Other assets	248	12
Finance lease receivables	2,082	2,089
Contract assets	4,517	2,206
	11,609	**9,208**
Current assets		
Inventories	1	3
Trade and other receivables	471	397
Amounts due from joint ventures	84	101
Other assets	78	50
Finance lease receivables	89	77
Other investments	14	229
Cash and bank balances	2,859	1,821
	3,596	**2,678**
TOTAL ASSETS	**15,205**	**11,886**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2022

	AS AT 31.1.2022 Unaudited RM million	AS AT 31.1.2021 Audited RM million
EQUITY AND LIABILITIES		
Equity		
Share capital	1,134	1,126
Treasury shares	(179)	(174)
Foreign currency translation reserve	206	77
Cash flows hedge reserve	(30)	(189)
Share-based option reserve	10	8
Share grant reserve	26	8
Put option reserve	(126)	(181)
Retained earnings	1,364	1,164
Equity attributable to owners of the Company	2,405	1,839
Perpetual securities issued by subsidiaries	1,848	1,848
Non-controlling interests	486	339
Total equity	**4,739**	**4,026**
Non-current liabilities		
Loans and borrowings	8,110	5,312
Lease liabilities	9	13
Other payables	511	384
Derivatives	20	204
Deferred tax liabilities	192	95
	8,842	**6,008**
Current liabilities		
Loans and borrowings	648	794
Lease liabilities	14	14
Trade and other payables	809	817
Derivatives	3	21
Put option liability	126	181
Tax payables	24	25
	1,624	**1,852**
Total liabilities	**10,466**	**7,860**
TOTAL EQUITY AND LIABILITIES	**15,205**	**11,886**
Net assets per share attributable to owners of the Company (RM)	**2.19**	**1.67**

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 Twelve Months Period Ended 31 January 2022

	Attributable to owners of the Company											
	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	Perpetual securities of subsidiaries RM million	Non-controlling interests RM million	Total equity RM million
At 1 February 2020	1,107	(125)	143	(133)	7	-	(413)	1,050	1,636	1,848	290	3,774
Total comprehensive loss/(income) for the period	-	-	(66)	(56)	-	-	(8)	315	185	-	77	262
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(139)	(139)	-	-	(139)
Effect of changes in shareholding in subsidiaries	-	-	-	-	-	-	-	2	2	-	107	109
Exercise of ESS	19	-	-	-	(3)	-	-	-	16	-	-	16
Issuance of ESS	-	-	-	-	5	-	-	-	5	-	-	5
ESS lapsed	-	-	-	-	(1)	-	-	-	(1)	-	-	(1)
Effect of long-term incentive plan	-	-	-	-	-	8	-	-	8	-	-	8
Acquisition of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	-	4	4
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(64)	(64)	-	-	(64)
Cash dividends to non-controlling interests	-	-	-	-	-	-	104	-	104	-	(104)	-
Capital reduction to non-controlling interests	-	-	-	-	-	-	136	-	136	-	(136)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	101	101
Purchase of treasury shares	-	(49)	-	-	-	-	-	-	(49)	-	-	(49)
At 31 January 2021 (Audited)	**1,126**	**(174)**	**77**	**(189)**	**8**	**8**	**(181)**	**1,164**	**1,839**	**1,848**	**339**	**4,026**
At 1 February 2021	1,126	(174)	77	(189)	8	8	(181)	1,164	1,839	1,848	339	4,026
Total comprehensive income/(loss) for the period	-	-	129	159	-	-	(7)	401	682	-	179	861
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(137)	(137)	-	-	(137)
Exercise of ESS	8	-	-	-	(1)	-	-	-	7	-	-	7
Issuance of ESS	-	-	-	-	4	-	-	-	4	-	-	4
ESS lapsed	-	-	-	-	(1)	-	-	-	(1)	-	-	(1)
Effect of long-term incentive plan	-	-	-	-	-	18	-	-	18	-	-	18
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(64)	(64)	-	-	(64)
Cash dividends to non-controlling interests	-	-	-	-	-	-	62	-	62	-	(62)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	30	30
Purchase of treasury shares	-	(5)	-	-	-	-	-	-	(5)	-	-	(5)
At 31 January 2022 (Unaudited)	**1,134**	**(179)**	**206**	**(30)**	**10**	**26**	**(126)**	**1,364**	**2,405**	**1,848**	**486**	**4,739**

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 Twelve Months Period Ended 31 January 2022

	Cumulative Period	
	31.1.2022 Unaudited RM million	31.1.2021 Audited RM million
OPERATING ACTIVITIES		
Profit before tax	716	580
Adjustments for:		
Depreciation of property, plant and equipment	250	250
Amortisation of intangible assets	55	56
Unrealised gain on foreign exchange	(23)	(26)
Finance costs	388	319
Loss on disposal on other investments	1	2
Fair value loss/(gain) on:		
- investment properties	-	3
- other investments	29	(2)
Impairment loss/(Reversal of impairment loss):		
- property, plant and equipment	3	33
- trade receivables	2	-
- other receivables	-	(6)
- other assets	-	(2)
- tax recoverable	-	12
- other investments	-	-
Property, plant and equipment written off	1	-
Deal deposit written off	-	84
Bad debts written off	7	-
Share of (profit)/loss of joint ventures	(10)	29
Share of loss of associates	3	-
Finance lease income	(343)	(216)
Interest income	(23)	(17)
Contract acquisition costs written off	-	104
Equity settled share-based payment transaction	21	9
Other payables and provisions written back	(21)	-
Gain on remeasurement of previously held equity interest	-	(3)
Operating cash flows before working capital changes	1,056	1,209
Receivables	(164)	(121)
Contract assets	(2,206)	(2,299)
Other current assets	21	-
Inventories	3	19
Payables	(69)	315
Cash flows used in operations	(1,359)	(877)
Finance lease payments received	396	215
Interest received	23	17
Finance costs paid	(11)	(6)
Tax paid	(94)	(149)
Net cash flows used in operating activities	**(1,045)**	**(800)**
INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents	-	(21)
Advances to joint ventures	-	(21)
Repayment of advances from joint ventures	-	99
Investment in joint ventures	(12)	(32)
Investment in associates	(128)	-
Dividend received from joint ventures	47	17
Deposit received for sales of shares in a subsidiary	-	21
Proceeds from partial redemption of investment	85	-
Proceeds from disposal of other investments	106	206
Proceeds from disposal of property, plant and equipment	122	98
Purchase of intangible assets	(1)	(3)
Purchase of property, plant and equipment	(63)	(282)
Purchase of other investments	(75)	(236)
Deposits paid for acquisition of property, plant and equipment	(34)	-
Net movement in restricted cash	(847)	(108)
Net cash flows used in investing activities	**(800)**	**(262)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Twelve Months Period Ended 31 January 2022

	Cumulative Period	
	31.1.2022 Unaudited RM million	31.1.2021 Audited RM million
FINANCING ACTIVITIES		
Dividends paid to owners of the Company	(64)	(64)
Dividends paid to non-controlling interests	(62)	(104)
Proceeds of loans from non-controlling interests	171	56
Capital contribution from non-controlling interests	-	93
Capital reduction to non-controlling interests	-	(136)
Proceeds from disposal of shareholdings in a subsidiary	-	109
Drawdown of loans and borrowings	4,720	5,258
Perpetual securities distribution paid	(137)	(139)
Proceeds from equity-settled share-based options	7	16
Purchase of treasury shares	(5)	(49)
Repayment of loans and borrowings	(2,381)	(3,141)
Repayment of lease liabilities	(16)	(13)
Finance costs paid	(270)	(369)
Net cash flows generated from financing activities	**1,963**	**1,517**
NET INCREASE IN CASH AND CASH EQUIVALENTS	118	455
Effects of foreign exchange rate changes	48	(12)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	1,329	886
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	**1,495**	**1,329**

	As at 31.1.2022 Unaudited RM million	As at 31.1.2021 Audited RM million
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	2,859	1,821
Less: Restricted cash	(1,364)	(492)
	1,495	**1,329**

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

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

This unaudited condensed consolidated interim financial statements (Condensed Report) of Yinson Holdings Berhad (the "Group" or "YHB") for the financial year ended 31 January 2022 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:

<u>Effective for financial periods beginning on or after 1 February 2022</u>

- 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"

<u>Effective for financial periods beginning on or after 1 February 2023</u>

- 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 year ended 31 January 2022, 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 next 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 2023.

4. Changes in Accounting Estimate

There were no material changes in accounting estimates during the financial year 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 year ended 31 January 2022 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 year ended 31 January 2022 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
Yinson Bouvardia Holdings Pte Ltd	1 November 2021	Singapore	100%	Investment holding
Yinson Bouvardia Consortium Pte Ltd	1 November 2021	Singapore	100%	Investment holding
Yinson Bouvardia Production B.V.	26 November 2021	Netherlands	100%	Provision of floating marine assets for chartering

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

There were no changes in the composition of the Group during the financial year ended 31 January 2022 except for: (continued)

(a) Incorporation of subsidiaries (continued)

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
YR Crucoli Pte Ltd	30 November 2021	Singapore	100%	Investment holding
YR Mazara Pte Ltd	30 November 2021	Singapore	100%	Investment holding
YR Malaysia Pte Ltd	21 December 2021	Singapore	100%	Investment holding
YR C&I Pte Ltd	21 December 2021	Singapore	100%	Investment holding
Yinson Bouvardia Servicos de Operacao Ltda	10 January 2022	Brazil	100%	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
YR Santa Giusta Solar Pte Ltd	12 January 2022	Singapore	100%	Investment holding

(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). Subsequently on 18 January 2022, YVCPL acquired additional equity interest through exercise of warrants for a total of NOK2 million (RM1 million) which was settled via cash of NOK1 million (RM0.5 million) and the remainder via in-kind services. As a result, YVCPL owns 16.3% equity interest in Lift Ocean AS.

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). Subsequently on 9 December 2021, YVCPL acquired additional equity interest of 1.94% for a total cash consideration of SGD2 million (RM6 million). As a result, YVCPL owns 7.29% equity interest in Moovita Pte. Ltd..

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).

(c) Acquisition of a joint venture

On 28 October 2021, Yinson Green Technologies (M) Sdn. Bhd. completed the acquisition of its 66.1% equity interest in eMoovit Technology Sdn. Bhd. for a total cash consideration of RM9 million.

6. Segment information

For the Twelve Months Period Ended 31 January 2022

	Offshore Production & Offshore Marine EPCIC RM million	Offshore Production & Offshore Marine Non-EPCIC RM million	Offshore Production & Offshore Marine Total RM million	Renewables RM million	Other Operations RM million	Consolidated RM million
Revenue						
Gross revenue	2,206	1,835	4,041	85	421	4,547
Elimination	-	(508)	(508)	(13)	(419)	(940)
Net revenue	2,206	1,327	3,533	72	2	3,607
Results						
Segment results	409	777	1,186	34	(123)	1,097
Finance costs						(388)
Share of profit of joint ventures						10
Share of loss of associates						(3)
Income tax expense						(192)
Profit after tax						524

For the Twelve Months Period Ended 31 January 2021

	Offshore Production & Offshore Marine EPCIC RM million	Offshore Production & Offshore Marine Non-EPCIC RM million	Offshore Production & Offshore Marine Total RM million	Renewables RM million	Other Operations RM million	Consolidated RM million
Revenue						
Gross revenue	3,394	2,007	5,401	6	456	5,863
Elimination	-	(560)	(560)	-	(454)	(1,014)
Net revenue	3,394	1,447	4,841	6	2	4,849
Results						
Segment results	466	644	1,110	1	(183)	928
Finance costs						(319)
Share of loss of joint ventures						(29)
Income tax expense						(168)
Profit after tax						412

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

a) 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.
b) Other operations mainly consist of investment, management services and treasury services.
c) 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.

<u>Offshore Production & Offshore Marine</u>

Revenue for the financial year under review decreased by RM1,308 million to RM3,533 million as compared to RM4,841 million in the corresponding financial year ended 31 January 2021. The decrease in revenue was mainly due to the one-off outright sale recognition of RM1,095 million from FPSO Abigail-Joseph upon its lease commencement in October 2020, lower contribution from EPCIC business activities related to FPSO Anna Nery and lower contribution from charter of VLCC tankers. Nevertheless, the segment recorded higher results by RM76 million to RM1,186 million as compared to RM1,110 million in the corresponding financial year ended 31 January 2021 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 RM123 million for the financial year under review as compared to losses of RM183 million in the corresponding financial year ended 31 January 2021. The lower losses was mainly due to absence of a one-off USD20 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020, the effect of which was partially offset by fair value loss on other investments of RM29 million.

Renewables

The segment results for the financial year under review has increased by RM33 million to RM34 million as compared to RM1 million in the corresponding financial year ended 31 January 2021. The positive results were mainly contributed from its subsidiary, Rising Sun Energy Private Limited ("RSE"), an India-incorporated company with two operational solar plants in the Bhadla Solar Park, Rajasthan, India, which was acquired in December 2020.

Share of results of joint ventures and associates

Joint ventures have collectively contributed share of profit of RM10 million for the financial year under review as compared to share of loss of RM29 million for the corresponding financial year ended 31 January 2021, which was mainly due to recovery of certain operating overheads and absence of impairment loss on an FPSO incurred in the previous year.

Consolidated profit after tax

The Group's profit after tax increased by RM112 million or 27% to RM524 million as compared to RM412 million for the corresponding financial year ended 31 January 2021, 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 also came from the absence of contract acquisition costs written off of RM104 million, absence of impairment loss on tax recoverable of RM12 million, decrease in impairment loss on property, plant and equipment of RM30 million, increase in the favourable foreign exchange movement of RM40 million and absence of one-off RM84 million deposit forfeiture related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020. The positive contributions were partially offset by fair value loss on other investments of RM29 million and increase in finance costs of RM69 million. The increase in finance costs was partially 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 year under review, the Group's current assets increased by RM918 million to RM3,596 million from RM2,678 million for the last audited financial year ended 31 January 2021. The Group's current liabilities decreased by RM228 million to RM1,624 million from RM1,852 million for the last audited financial year ended 31 January 2021 mainly arising from increased payables position to fund the EPCIC business activities related to FPSO Anna Nery partially offset by the drawdown of a secured USD670 million syndicated long-term loan facility for the FPSO Anna Nery project to repay the short-term bridge loan.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") increased to 2.21 times as compared to 1.45 times of the last audited financial year ended 31 January 2021. The improved ratio is in accordance with the deliberation on the movement of the Group's current assets and current liabilities.

Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances plus liquid investments" divided by "Total Equity") is 1.24 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 RM4,739 million.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2022 Unaudited RM million	**31.1.2021 Unaudited RM million**	**31.1.2022 Unaudited RM million**	**31.1.2021 Audited RM million**
Interest income	(5)	(3)	(23)	(17)
Other income including investment income	(43)	(3)	(51)	(41)
Finance costs	112	76	388	319
Depreciation of property, plant and equipment	67	62	250	250
Amortisation of intangible assets	14	13	55	56
Loss on disposal on other investments	-	-	1	2
Impairment loss/(Reversal of impairment loss):				
- trade and other receivables	-	-	2	(6)
- other assets	-	-	-	(2)
- tax recoverable	-	-	-	12
- property, plant and equipment	-	11	3	33
Fair value loss on investment properties	-	-	-	3
Property, plant and equipment written off	-	-	1	-
Net (gain)/loss on foreign exchange	(6)	17	(27)	13
Fair value loss/(gain) on other investments	29	(1)	29	(2)
Contract acquisition costs written off	-	104	-	104
Deal deposit written off	-	(1)	-	84
Bad debts written off	7	-	7	-
Gain on remeasurement of previously held equity interest	-	(3)	-	(3)

8. Income Tax Expense

The income tax expense consists of:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2022 Unaudited RM million	**31.1.2021 Unaudited RM million**	**31.1.2022 Unaudited RM million**	**31.1.2021 Audited RM million**
Current income tax	34	9	103	74
Deferred income tax	27	47	89	94
Total income tax expense	**61**	**56**	**192**	**168**

The effective tax rate for the current quarter and year ended 31 January 2022 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/year.

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

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2022 Unaudited	**31.1.2021 Unaudited**	**31.1.2022 Unaudited**	**31.1.2021 Audited**
Profit net of tax attributable to owners of the Company used in the computation of EPS (RM million)	65	67	401	315
Weighted average number of ordinary shares in issue ('000)	1,065,202	1,066,177	1,065,202	1,066,177
Basic earnings per share (sen)	6.1	6.3	37.6	29.5

(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 period/year or the date of the grant, if later.

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2022 Unaudited	**31.1.2021 Unaudited**	**31.1.2022 Unaudited**	**31.1.2021 Audited**
Adjusted profit net of tax attributable to owners of the parent used in the computation of EPS (RM million)	65	67	401	315
Weighted average number of ordinary shares in issue ('000)	1,065,202	1,066,177	1,065,202	1,066,177
Adjustments for ESS ('000)	2,822	4,599	2,822	4,599
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,068,024	1,070,776	1,068,024	1,070,776
Diluted earnings per share (sen)	6.1	6.3	37.5	29.4

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 interest rate swaps and other financial investments 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 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 1,827,400 new ordinary shares arising from the exercise of options under Employees' Share Scheme;

(b) The Company repurchased 824,400 of its issued shares from open market on Bursa Malaysia Securities Berhad;

(c) The Company issued a RM1 billion 5-year Sustainability-Linked Sukuk Wakalah. See 23(a) for more information.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 January 2022 and 31 January 2021 are as follows:

	As at 31 January 2022		
	Short term RM million	**Long term RM million**	**Total borrowings RM million**
Secured			
Sustainability-Linked Sukuk Wakalah	7	995	1,002
Term loans	537	6,689	7,226
Revolving credits	59	-	59
	603	7,684	8,287
Unsecured			
Term loans	-	426	426
Revolving credits	45	-	45
	45	426	471
Total loans and borrowings	**648**	**8,110**	**8,758**

13. Interest-bearing Loans and Borrowings (continued)

The Group's total borrowings as at 31 January 2022 and 31 January 2021 are as follows: (continued)

	As at 31 January 2021		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Term loans	690	4,915	5,605
Revolving credits	*	-	-
	690	4,915	5,605
Unsecured			
Term loans	-	397	397
Revolving credits	104	-	104
	104	397	501
Total loans and borrowings	**794**	**5,312**	**6,106**

** less than RM1 million*

Except for the borrowings of RM7,393 million (31 January 2021: RM5,649 million) denominated in US Dollar and RM318 million (31 January 2021: RM354 million) denominated in Indian Rupee, all other borrowings are denominated in Ringgit Malaysia.

Increase in outstanding total loans and borrowings was mainly due to the draw-down of the RM1.0 billion 5-year Sustainability-Linked Sukuk Wakalah and additional loan facilities for project and working capital purposes.

14. Dividend Paid

Dividend approved and paid in respect of ordinary shares:

	As at 31 January 2022		As at 31 January 2021	
	Dividend per share Sen	Amount of single-tier dividend RM million	Dividend per share Sen	Amount of single-tier dividend RM million
The Company				
Interim dividend in respect of the financial year ended: - 31 January 2022	4.0	43	-	-
Final dividend in respect of the financial year ended: - 31 January 2021	2.0	21	-	-
Interim dividend in respect of the financial year ended: - 31 January 2021	-	-	4.0	43
Final dividend in respect of the financial year ended: - 31 January 2020	-	-	2.0	21
Dividends recognised as distribution to ordinary equity holders of the Company	**6.0**	**64**	**6.0**	**64**

15. Capital Commitments

As at 31 January 2022, the capital commitments not provided for in the interim condensed financial statements were as follows:

- approved and contracted for – RM147 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) Chartering and Provision of Floating Production Storage and Offloading ("FPSO") Services in the North Campos Basin, Offshore Brazil

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 ('LOI") by Petróleo Brasileiro S.A. ("Petrobras") for, respectively, the provision of:

i) FPSO Maria Quiteria (formerly known as FPSO Integrado Parque das Baleias ("IPB FPSO")); and
ii) operation and maintenance services during the charter phase of IPB FPSO.

On 7 February 2022, Yinson Bergenia Production B.V. ("YBPBV"), an indirect subsidiary of the Company incorporated in the Netherlands, has entered 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, has entered 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").

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

(b) Chartering and Provision of FPSO Services in Atlanta Field located in the Santos Basin, Offshore Brazil

On 17 December 2021, Yinson Acacia Ltd ("YAL"), an indirect wholly owned subsidiary of the Company, has entered into a LOI with Enauta Energia S.A. ("Enauta") whereby Enauta intends to, via an indirect wholly owned subsidiary, commission YAL's affiliates to provide and operate a FPSO via a redeployment of FPSO OSX-2.

The LOI constitutes a binding obligation whereby YAL and Enauta agreed to enter into an engineering, procurement, construction and installation contract and an operation and maintenance agreement with a call option ("Contracts").

Pursuant to the LOI, on 21 February 2022, Yinson Production Offshore Pte Ltd, Yinson Production EPC Pte Ltd, Yinson Bouvardia Holdings Pte Ltd and Yinson Bouvardia Serviços de Operação Ltda, each an indirect wholly owned subsidiary of the Company, have entered into the Contracts with Enauta.

17. Material Events After the Reporting Date (continued)

(b) Chartering and Provision of FPSO Services in Atlanta Field located in the Santos Basin, Offshore Brazil (continued)

The engineering, procurement, construction and installation of the FPSO is expected to be completed by first half of year 2024. This will be followed by the commencement of either a 2-years operation and maintenance services contracts or a 15-year time charter agreement ("Time Charter Agreement") and an operation and maintenance agreement of the same duration should the Group exercise the call option under the Contracts. The call option is exercisable at the Group's discretion. If the Group chooses to exercise the call option, the acquisition of the asset-owning company with the execution of Time Charter Agreement will be concluded prior to the completion of the FPSO.

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

(c) Proposed Bonus Issue and Proposed Rights Issue

On 20 December 2021, the Company announced the following: -

i) proposed bonus issue of shares of up to 1,112,540,173 new ordinary shares in YHB ("YHB Shares" or "Shares") ("Bonus Shares") on the basis of entitlement of 1 Bonus Share for every 1 existing YHB Share held on an entitlement date to be determined ("Proposed Bonus Issue"); and

ii) proposed renounceable rights issue of YHB Shares ("Rights Shares") together with free detachable warrants in the Company ("Warrants") on an entitlement date to be determined to raise gross proceeds of up to RM 1.22 billion ("Maximum Gross Proceeds") ("Proposed Rights Issue").

(Collectively referred to as the "Proposals")

The Proposed Rights Issue is intended to be undertaken after the completion of the Proposed Bonus Issue but is not conditional upon the implementation of the Proposed Bonus Issue. The actual quantum of proceeds to be raised will be finalised and announced together with the rights entitlement basis. It is the intention of the Board of Directors ("Board") that the issue price shall be priced at a discount ranging from 25% to 45% to the TERP based on the 5-day VWAMP of YHB Shares up to and including the date prior to the price fixing date. The issue price and entitlement basis will be determined and announced by the Board on the price-fixing date to allow flexibility in pricing the Rights Shares after taking into consideration the then prevailing market price of the YHB Shares.

The entitlement basis for the Warrants and the exercise price will also be determined and announced by the Board on the price-fixing date. It is the intention of the Board that the exercise price shall be priced at a premium of approximately 10% to the TERP based on the 5-day VWAMP of YHB Shares up to and including the date prior to the price-fixing date.

The Proposed Rights Issue is intended to be undertaken on a full subscription basis. On 15 February 2022, the Company has procured irrevocable undertakings from certain shareholders as defined in the announcement for the Proposals dated 20 December 2021 to subscribe in full for their entitlements of Rights Shares under the Proposed Rights Issue. The remaining portion of Rights Shares for which no undertakings are obtained will be fully underwritten.

17. Material Events After the Reporting Date (continued)

(b) Proposed Bonus Issue and Proposed Rights Issue (continued)

The proceeds from the Proposed Rights Issue are proposed at this juncture to be utilised in the following manner:-

Description	Minimum Gross Proceeds RM'million	Maximum Gross Proceeds RM'million
New FPSO project	701.66	775.61
Expansion of renewable energy and green technology business	44.00	44.00
Repayment of bank borrowings	280.40	324.77
Working capital	55.00	55.00
Defrayment of estimated expenses for the Proposals	18.94	20.62
	1,100.00	**1,220.00**

On 21 February 2022, the Company obtained approval from Bursa Malaysia Securities Berhad for the Proposals. The Circular to shareholders, together with the notice of Extraordinary General Meeting ("EGM"), was dispatched on 11 March 2022 with EGM scheduled for 29 March 2022. The Proposals are expected to be completed by June/July 2022.

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		**Cumulative 12 months ended**	
	31.1.2022 RM million	**31.1.2021 RM million**	**31.1.2022 RM million**	**31.1.2021 RM million**
Joint ventures				
- dividend income	-	-	47	17
- interest income	-	1	-	4
- management fee income	7	3	13	11
- finance lease income	1	-	3	2
- reimbursement	13	42	14	74
- advances	-	-	-	21
- repayment of advances	12	13	14	25

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 31.1.2022 RM million	Immediate Preceding Quarter 31.10.2021 RM million	Changes RM million	Changes %
Revenue	741	820	(79)	-9.6%
Direct expenses	(420)	(506)	86	-17.0%
Gross profit	321	314	7	2.2%
Other operating income	56	8	48	600.0%
Administrative expenses	(106)	(60)	(46)	76.7%
Profit from operations	271	262	9	3.4%
Finance costs	(112)	(96)	(16)	16.7%
Share of (loss)/profit of joint ventures	(2)	1	(3)	-300.0%
Share of loss of associates	(2)	(1)	(1)	-100.0%
Profit before tax	155	166	(11)	-6.6%
Income tax expense	(61)	(40)	(21)	52.5%
Profit after tax	94	126	(32)	-25.4%

For the quarter under review, the Group reported a lower revenue of RM741 million compared to Q3 FY22's revenue of RM820 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 fourth quarter of the current financial year decreased by 6.6% or RM11 million to RM155 million as compared to the RM166 million in the preceding quarter. The decrease was mainly due to the above-mentioned lower contribution effect from EPCIC business activities, fair value losses on other investments of RM29 million and higher financing costs of RM16 million mainly arising from the draw-down of the RM1 billion Sustainability-Linked Sukuk in December 2021 and one-off cost incurred for early re-financing of the existing loans for the Renewables segment, which were partially offset by an increase in other income of RM46 million.

21. Commentary on Prospects

Global energy demand has been increasing and outstripping supply, causing strain on the global energy supply chain. Even though demand for alternative energy sources such as renewables have surged, the outlook for oil & natural gas remains significantly strong over the longer term.

This has contributed to a steady rise in oil prices since 2021, which surged exponentially from February 2022 due to the geopolitical conflict between Russia and Ukraine. Although the higher oil price encourages business activities within the oil & gas industry, the conflict is of economic concern. Sanctions on Russia and Belarus are causing further inflation and supply chain bottlenecks on a global economy that is already been straining to adjust to the challenges stemming from the Covid-19 pandemic.

21. Commentary on Prospects (continued)

The Group has been following these developments closely and we are well positioned to face the uncertainties with a robust risk and internal control management in place and the current implementation of robust cost control management. We will continue to apply measures to prudently manage inflation risk including hedging, effective forecasting, diversification of costs across geographical markets, factoring inflation risk into our contracts and strategic management of our inventories.

As an energy infrastructure and technology provider with a solid leadership position in sustainability, the Management is confident of the Group's ability to stay resilient amidst the rising global economic challenges with its underlying risks. We believe we can achieve satisfactory results for the financial year ending 31 January 2023.

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

(a) <u>Issuance of RM1.0 billion 5-year Sustainability-Linked Sukuk Wakalah</u>

On 7 December 2021, the Company issued RM1.0 billion 5-year Sustainability-Linked Sukuk Wakalah pursuant to its Islamic Medium Term Notes Programme of up to RM1.0 billion nominal value. The Sustainability-Linked Sukuk Wakalah has a tenor of 5 years and profit rate of 5.55% per annum.

The Sustainability-Linked Sukuk Wakalah is tied to 3 Sustainability Performance Targets which are required 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.

(b) <u>Extension of BBC Charter Contract for provision and chartering of FPSO Lam Son</u>

The Company, through its joint venture company with PetroVietnam Technical Services Corporation (PTSC), PTSC Asia Pacific Pte Ltd (PTSC AP), has received a 6-month extension for the Bareboat Charter Contract for FPSO PTSC Lam Son.

The extension is part of the addendum entered into by client PTSC and PTSC AP on 30 June 2021, which sets a 6-month Firm Period from 1 July 2021 to 31 December 2021, and a 6-month Option Period from 1 January 2022 to 30 June 2022, which shall be automatically granted if no notice of termination is received.

The value of the Bareboat Charter Contract for the 6-month Option Period extension is estimated at USD9 million (RM38 million). PTSC AP is 49% and 51% owned by Yinson and PTSC respectively.

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 nine 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").

24. Material Litigation (continued)

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

The Board of Directors recommends a final single-tier dividend of 2.0 sen per share for the financial year ended 31 January 2022. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting. If approved, the entitlement date and payable date for the dividend would be 4 August 2022 and 30 August 2022 respectively.

26. Derivatives

Details of derivative financial instruments outstanding as at 31 January 2022 are as follows:

Types of derivatives	**Contract / Notional Amount**	**Fair Value Assets/ (Liabilities)**
	RM million	**RM million**
Interest rate swaps		
More than 3 years	3,759	(23)

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 RM857 million that pays floating interest at 3 months US$ LIBOR; and

ii. contracts amounting to RM2,902 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 year ended 31 January 2022, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM200 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 29 March 2022.