



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

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Three Months Period Ended 30 April 2022

	Individual and Cumulative Period 1st Quarter		Changes (Amount / %)	
	Current Year Quarter 30.4.2022 Unaudited RM million	Preceding Year Corresponding Quarter 30.4.2021 Unaudited RM million	RM million	%
Revenue	1,005	992	13	1.3%
Direct expenses	(643)	(668)	25	-3.7%
Gross profit	362	324	38	11.7%
Other operating income	23	13	10	76.9%
Administrative expenses	(81)	(68)	(13)	19.1%
Profit from operations	304	269	35	13.0%
Finance costs	(111)	(84)	(27)	32.1%
Share of (loss)/profit of joint ventures	(1)	2	(3)	-150.0%
Share of loss of associates	(2)	-	(2)	-100.0%
Profit before tax	190	187	3	1.6%
Income tax expense	(51)	(42)	(9)	21.4%
Profit for the period	139	145	(6)	-4.1%
Profit attributable to:				
Owners of the Company	120	112	8	7.1%
Non-controlling interests	19	33	(14)	-42.4%
	139	145	(6)	-4.1%
Earnings per share attributable to owners of the Company: *				
Basic (sen)	5.6	5.1	0.5	9.8%
Diluted (sen)	5.6	5.1	0.5	9.8%

* For comparative purpose, the basic and diluted earnings per share for the period ended 30 April 2021 had been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 14 April 2022.

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 Three Months Period Ended 30 April 2022

	Individual and Cumulative Period 1st Quarter		Changes (Amount / %) RM million %	
	Current Year Quarter 30.4.2022 Unaudited RM million	Preceding Year Corresponding Quarter 30.4.2021 Unaudited RM million		
Profit for the period	139	145	(6)	-4.1%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	226	70	156	222.9%
- Cash flows hedge reserve	245	83	162	195.2%
- Reclassification of changes in fair value of cash flow hedges	13	16	(3)	-18.8%
- Put option reserve	(4)	(3)	(1)	33.3%
Total comprehensive income for the period	619	311	308	99.0%
Total comprehensive income for the period attributable to:				
Owners of the Company	523	248	275	110.9%
Non-controlling interests	96	63	33	52.4%
	619	311	308	99.0%

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 30 April 2022**

	AS AT 30.4.2022 Unaudited RM million	AS AT 31.1.2022 Audited RM million
ASSETS		
Non-current assets		
Property, plant and equipment	3,960	3,822
Investment properties	15	15
Intangible assets	296	297
Investment in joint ventures	366	419
Investment in associates	129	125
Deferred tax assets	5	3
Trade and other receivables	154	89
Other assets	100	240
Derivatives	213	-
Finance lease receivables	2,130	2,082
Contract assets	5,315	4,517
	12,683	11,609
Current assets		
Inventories	1	1
Trade and other receivables	526	555
Other assets	346	78
Finance lease receivables	94	89
Derivatives	22	-
Other investments	14	14
Cash and bank balances	3,163	2,859
	4,166	3,596
TOTAL ASSETS	16,849	15,205

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 30 April 2022**

	AS AT 30.4.2022 Unaudited RM million	AS AT 31.1.2022 Audited RM million
EQUITY AND LIABILITIES		
Equity		
Share capital	1,145	1,134
Treasury shares	(202)	(178)
Foreign currency translation reserve	413	206
Cash flows hedge reserve	170	(30)
Share-based option reserve	9	10
Share grant reserve	30	26
Put option reserve	(100)	(126)
Retained earnings	1,450	1,364
Equity attributable to owners of the Company	2,915	2,406
Perpetual securities issued by subsidiaries	1,848	1,848
Non-controlling interests	568	486
Total equity	5,331	4,740
Non-current liabilities		
Loans and borrowings	8,587	8,110
Lease liabilities	8	9
Other payables	527	511
Derivatives	-	20
Deferred tax liabilities	223	192
	9,345	8,842
Current liabilities		
Loans and borrowings	712	648
Lease liabilities	23	14
Trade and other payables	1,303	808
Derivatives	-	3
Put option liability	100	126
Tax payables	35	24
	2,173	1,623
Total liabilities	11,518	10,465
TOTAL EQUITY AND LIABILITIES	16,849	15,205
Net assets per share attributable to owners of the Company (RM)	2.65	2.19

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 Three Months Period Ended 30 April 2022

	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			
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	-	-	62	77	-	-	(3)	112	248	-	63	311
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(34)	(34)	-	-	(34)
Exercise of ESS	1	-	-	-	-	-	-	-	1	-	-	1
Effect of Long-Term Incentive Plan	-	-	-	-	-	4	-	-	4	-	-	4
Cash dividends to non-controlling interests	-	-	-	-	-	-	27	-	27	-	(27)	-
At 30 April 2021 (Unaudited)	1,127	(174)	139	(112)	8	12	(157)	1,242	2,085	1,848	375	4,308
At 1 February 2022	1,134	(178)	206	(30)	10	26	(126)	1,364	2,406	1,848	486	4,740
Total comprehensive income/(loss) for the period	-	-	207	200	-	-	(4)	120	523	-	96	619
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(34)	(34)	-	-	(34)
Changes in a subsidiary's shareholding	-	-	-	-	-	-	-	-	-	-	16	16
Exercise of ESS	11	-	-	-	(2)	-	-	-	9	-	-	9
Issuance of ESS	-	-	-	-	1	-	-	-	1	-	-	1
Effect of Long-Term Incentive Plan	-	-	-	-	-	4	-	-	4	-	-	4
Cash dividends to non-controlling interests	-	-	-	-	-	-	30	-	30	-	(30)	-
Purchase of treasury shares	-	(24)	-	-	-	-	-	-	(24)	-	-	(24)
At 30 April 2022 (Unaudited)	1,145	(202)	413	170	9	30	(100)	1,450	2,915	1,848	568	5,331

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 Three Months Period Ended 30 April 2022

	Cumulative Period	
	30.4.2022 Unaudited RM million	30.4.2021 Unaudited RM million
OPERATING ACTIVITIES		
Profit before tax	190	187
Adjustments for:		
Depreciation of property, plant and equipment	70	59
Amortisation of intangible assets	13	13
Unrealised gain on foreign exchange	(14)	(7)
Finance costs	111	84
Impairment loss:		
- property, plant and equipment	-	3
Property, plant and equipment written off	1	-
Bad debts written off	1	-
Share of loss/(profit) of joint ventures	1	(2)
Share of loss of associates	2	-
Finance lease income	(86)	(82)
Interest income	(6)	(4)
Equity settled share-based payment transaction	5	4
Operating cash flows before working capital changes	288	255
Receivables	(49)	9
Contract assets	(589)	(653)
Other current assets	(35)	(4)
Payables	433	140
Cash flows generated from/(used in) operations	48	(253)
Finance lease payments received	107	84
Interest received	8	4
Finance costs paid	(1)	(2)
Tax paid	(21)	(20)
Net cash flows generated from/(used in) operating activities	141	(187)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Three Months Period Ended 30 April 2022

	Cumulative Period	
	30.4.2022 Unaudited RM million	30.4.2021 Unaudited RM million
INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents	(13)	-
Investment in associates	(4)	-
Dividend received from joint ventures	49	30
Proceeds from partial redemption of investment	-	62
Proceeds from disposal of other investments	75	8
Purchase of property, plant and equipment	(29)	(4)
Deposits paid for acquisition of property, plant and equipment	(14)	(20)
Net movement in restricted cash	(226)	61
Net cash flows (used in)/generated from investing activities	(162)	137
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(30)	(27)
Drawdown of loans and borrowings	356	402
Perpetual securities distribution paid	(70)	(36)
Proceeds from equity-settled share-based options	9	1
Purchase of treasury shares	(24)	-
Repayment of loans and borrowings	(167)	(165)
Repayment of lease liabilities	(4)	(4)
Finance costs paid	(78)	(54)
Net cash flows (used in)/generated from financing activities	(8)	117
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(29)	67
Effects of foreign exchange rate changes	47	14
CASH AND CASH EQUIVALENTS AT THE BEGINNING		
OF THE FINANCIAL PERIOD	1,495	1,329
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	1,513	1,410
	As at	As at
	30.4.2022	30.4.2021
	Unaudited	Unaudited
	RM million	RM million
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	3,163	1,850
Less: Restricted cash	(1,650)	(440)
	1,513	1,410

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 30 April 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 2022. 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 2022 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 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"

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 2023

- Amendments to MFRS 101 "Classification of Liabilities as Current or Non-Current"
- Amendments to MFRS 112 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
- 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 30 April 2022, except the continued impact of the Covid-19 pandemic and the Russia-Ukraine conflict.

Impact of the Covid-19 pandemic

The World Health Organisation declared Covid-19 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. Accordingly, the Covid-19 pandemic has not materially affected the financial performance, financial position, cash flows and liquidity of the Group in the current financial period.

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 in the countries which the Group operates, the related impact arising from Covid-19 cannot be reasonably estimated at this time for the financial year ending 31 January 2023.

Impact of the Russia-Ukraine conflict

The current geopolitical tensions between Russia and Ukraine, alongside the imposition of international sanctions, have a pervasive economic impact, not only on businesses within Russia and Ukraine, but also globally where businesses engage in economic activities that might be affected by the recent developments.

The Group does not have any economic activities based within Russia or Ukraine and as such is not expected to be directly affected. However, given the global nature of financial markets and international supply chains, the disruption of economic activity could impact entities beyond the borders of Russia and Ukraine.

The Group has assessed that the conflict does not have any material impact to the Group's financial statements for the current financial period. However, as the conflict is still ongoing and with no clear outcome on the economic impact, the Group cannot reasonably ascertain the full extent of the probable impact on the Group's financial performance for the financial year ending 31 January 2023.

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 30 April 2022 except for:

(a) Incorporation of subsidiaries

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
YR Brazil Pte Ltd	11 February 2022	Singapore	100%	Investment holding
YR Nuoro Pte Ltd	28 February 2022	Singapore	100%	Investment holding
YR Peru Limited	2 March 2022	United Kingdom	100%	Investment holding
Yinson Mobility Sdn Bhd	15 March 2022	Malaysia	100%	Renting and operational leasing of passenger cars (without driver), trucks, utility trailers and recreational vehicle
YR Chile Holding Limited	22 March 2022	United Kingdom	100%	Investment holding
Yinson Azalea Holdings Pte Ltd	24 March 2022	Singapore	100%	Investment holding
Nuoro S.r.L	24 March 2022	Italy	100%	Generation of electricity through renewable resources

(b) Acquisition of subsidiaries

Name of subsidiaries	Date of acquisition	Country	Proportion of ownership interest (%)	Principal activities
EOL Vicosa V Ltda.	22 February 2022	Brazil	100%	Generation of electricity through renewable resources
EOL Vicosa VI Ltda.	22 February 2022	Brazil	100%	Generation of electricity through renewable resources

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

There were no changes in the composition of the Group during the financial period ended 30 April 2022 except for: (continued)

(b) Acquisition of subsidiaries (continued)

Name of subsidiaries	Date of acquisition	Country	Proportion of ownership interest (%)	Principal activities
EOL Vicosa VII Ltda.	22 February 2022	Brazil	100%	Generation of electricity through renewable resources
EOL Vicosa VIII Ltda.	22 February 2022	Brazil	100%	Generation of electricity through renewable resources
Santa Clara Energia Renovavel Ltda	24 February 2022	Brazil	100%	Generation of electricity through renewable resources

(c) Change in equity interest in an associate

On 1 April 2022, Yinson Venture Capital Pte. Ltd. ("YVCPL"), an indirect wholly-owned subsidiary of the Company, has further subscribed 25,863 shares at NOK 290 each in Lift ocean AS for a consideration of NOK7.5 million (RM4 million). As a result, YVCPL owns 23.3% equity interest in Lift Ocean AS.

6. Segment information

For the Three Months Period Ended 30 April 2022

	Offshore Production & Offshore Marine			Renewables	Other Operations	Consolidated
	EPCIC	Non-EPCIC	Total			
	RM million	RM million	RM million	RM million	RM million	RM million
Revenue						
Gross revenue	589	584	1,173	20	107	1,300
Elimination	-	(188)	(188)	-	(107)	(295)
Net revenue	589	396	985	20	-	1,005
Results						
Segment results	110	209	319	1	(16)	304
Finance costs						(111)
Share of loss of joint ventures						(1)
Share of loss of associates						(2)
Income tax expense						(51)
Profit after tax						139

6. Segment information (continued)

For the Three Months Period Ended 30 April 2021

	Offshore Production & Offshore Marine			Renewables	Other Operations	Consolidated
	EPCIC	Non-EPCIC	Total			
	RM million	RM million	RM million			
Revenue						
Gross revenue	652	461	1,113	19	104	1,236
Elimination	-	(141)	(141)	-	(103)	(244)
Net revenue	652	320	972	19	1	992
Results						
Segment results	99	176	275	8	(14)	269
Finance costs						(84)
Share of profit of joint ventures						2
Income tax expense						(42)
Profit after tax						145

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 increased by RM13 million to RM985 million as compared to RM972 million in the corresponding financial period ended 30 April 2021. The increase in revenue was mainly due to higher contribution from the Group’s FPSO operations mainly driven by the strengthening oil prices, which was partially offset by lower contribution from EPCIC business activities. In the current financial period, EPCIC business activities for FPSO Maria Quitéria had commenced subsequent to the execution of the charter contract with Petrobras on 7 February 2022. The lower contribution from EPCIC business activities related to FPSO Anna Nery was partially offset by such fresh contribution from FPSO Maria Quitéria.

The segment recorded higher results by RM44 million to RM319 million as compared to RM275 million in the corresponding financial period ended 30 April 2021, mainly arising from higher contribution from FPSO operations and favourable foreign exchange movement arising from the strengthening of USD in the current financial period.

Other Operations

The segment has incurred losses of RM16 million for the financial period under review as compared to losses of RM14 million in the corresponding financial period ended 30 April 2021. The higher losses were mainly due to higher operational overheads in the current financial period.

Renewables

The segment results for the financial period under review has decreased by RM7 million to RM1 million as compared to RM8 million in the corresponding financial period ended 30 April 2021. The decrease was mainly contributed by unfavourable foreign exchange movement arising from the weakening of INR against USD and lower other income in the current financial period.

6. Segment information (continued)

Share of results of joint ventures and associates

Joint ventures and associates have collectively contributed share of loss of RM3 million for the financial period under review as compared to share of profit of RM2 million for the corresponding financial period ended 30 April 2021, which was mainly due to start-up costs incurred for certain of the Group's associates in the current financial period.

Consolidated profit after tax

The Group's profit after tax decreased by RM6 million or 4% to RM139 million as compared to RM145 million for the corresponding financial period ended 30 April 2021. The decrease was mainly due to the lower contribution from EPCIC business activities as deliberated in the "Offshore Production & Offshore Marine" section above and increase in finance costs of RM27 million, which was mainly due to the drawdown of the secured USD670 million syndicated long-term loan facility for the FPSO Anna Nery project and the RM1.0 billion 5-year Sustainability-Linked Sukuk Wakalah in December 2021. These were partially offset by positive contributions, which largely arose from the higher contribution from the Group's FPSO operations largely driven by the strengthening oil prices, decrease in impairment loss on property, plant and equipment of RM3 million and increase in the favourable foreign exchange movement of RM9 million.

Consolidated financial position

For the current financial period under review, the Group's current assets increased by RM570 million to RM4,166 million from RM3,596 million for the last audited financial year ended 31 January 2022, mainly as a result of the stronger cash position of RM3,163 million (as compared to RM2,859 million for the last audited financial year ended 31 January 2022) and higher prepayments to vendors in relation to EPCIC business activities. The Group's current liabilities increased by RM550 million to RM2,173 million from RM1,623 million for the last audited financial year ended 31 January 2022 mainly arising from increased payables position to fund the EPCIC business activities related to FPSO Anna Nery and FPSO Maria Quitéria, and amounts received in advance for the EPCIC services to be performed in accordance with the contract executed with Enauta Energia S.A. on 21 February 2022.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 1.92 times as compared to 2.21 times of the last audited financial year ended 31 January 2022. The decrease 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 1.15 times as compared to 1.24 times for the last audited financial year ended 31 January 2022. 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 was moderated by the Group's enhanced total equity position of RM5,331 million.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current and Cumulative 3 months ended	
	30.4.2022 Unaudited RM million	30.4.2021 Unaudited RM million
Interest income	(6)	(4)
Other income including investment income	(1)	(2)
Finance costs	111	84
Depreciation of property, plant and equipment	70	59
Amortisation of intangible assets	13	13
Impairment loss:		
- property, plant and equipment	-	3
Property, plant and equipment written off	1	-
Net gain on foreign exchange	(16)	(7)
Bad debts written off	1	-

8. Income Tax Expense

The income tax expense consists of:

	Current and Cumulative 3 months ended	
	30.4.2022 Unaudited RM million	30.4.2021 Unaudited RM million
Current income tax	31	23
Deferred income tax	20	19
Total income tax expense	51	42

The effective tax rate for the current quarter ended 30 April 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 year, net of tax, attributable to owners of the Company by the weighted average number of shares outstanding during the financial period (excluding ordinary shares purchased by the Company and held as treasury shares).

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

	Current and Cumulative 3 months ended	
	30.4.2022 Unaudited	30.4.2021 Unaudited
Net profit attributable to owners of the Company (RM million)	120	112
Weighted average number of ordinary shares in issue ('000)	2,131,215	1,103,783
Bonus issue completed on 14 April 2022 ('000) #	-	1,103,783
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,131,215	2,207,566
Basic earnings per share (sen)	5.6	5.1

(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.

9. Earnings Per Share (continued)

(b) Diluted (continued)

	Current and Cumulative 3 months ended	
	30.4.2022 Unaudited	30.4.2021 Unaudited
Net profit attributable to owners of the Company (RM million)	120	112
Weighted average number of ordinary shares in issue ('000)	2,131,215	1,103,783
Adjustments for ESS ('000)	835	2,706
Adjusted weighted average number of ordinary shares in issue ('000)	2,132,050	1,106,489
Bonus issue completed on 14 April 2022 ('000) #	-	1,106,489
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,132,050	2,212,978
Diluted earnings per share (sen)	5.6	5.1

For comparative purpose, the basic and diluted earnings per share for the period ended 30 April 2021 had been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 14 April 2022.

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.
- 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 had on 14 April 2022, announced that 1,103,782,973 bonus shares have been listed and quoted on the Main Market of Bursa Securities on the basis of 1 bonus share for every 1 existing ordinary share;
- (b) The Company increased its issued and paid-up share capital by way of issuance of 2,436,500 new ordinary shares arising from the exercise of options under Employees' Share Scheme; and
- (c) The Company repurchased 6,548,500 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 30 April 2022 and 30 April 2021 are as follows:

	As at 30 April 2022		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Sustainability-Linked Sukuk Wakalah	21	995	1,016
Term loans	574	7,144	7,718
Revolving credits	79	-	79
	674	8,139	8,813
Unsecured			
Term loans	-	448	448
Revolving credits	38	-	38
	38	448	486
Total loans and borrowings	712	8,587	9,299

	As at 30 April 2021		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Term loans	1,103	4,856	5,959
Revolving credits	- *	-	- *
	1,103	4,856	5,959
Unsecured			
Term loans	-	407	407
Revolving credits	78	-	78
	78	407	485
Total loans and borrowings	1,181	5,263	6,444

* less than RM1 million

13. Interest-bearing Loans and Borrowings (continued)

Except for the borrowings of RM7,916 million (30 April 2021: RM6,019 million) denominated in US Dollar and RM310 million (30 April 2021: RM347 million) 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

No dividend approved and paid in respect of ordinary shares during the current financial period under review.

15. Capital Commitments

As at 30 April 2022, there were no material capital commitments not provided for in the interim condensed financial statements.

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

Bonus Issue and Proposed Rights Issue (“Corporate Exercises”)

On 29 March 2022, shareholders had approved the Corporate Exercises at the EGM.

For the Bonus Issue, 1,103,782,973 Bonus Shares have been listed and quoted on the Main Market of Bursa Securities on 14 April 2022 and accordingly it has been completed on the same date.

On 11 May 2022, our Board has fixed the issue price of the Rights Shares at RM1.41 per Rights Share, representing a discount of 32.21% to the TERP of YHB Shares of RM2.08 based on the 5-day VWAMP of YHB Shares of RM2.3587 up to and including the date prior to the price-fixing date. Our Board has also fixed the exercise price of the Warrants at RM2.29 per Warrant, which represents a premium of approximately 10% to the TERP of YHB Shares.

The Undertaking Shareholders (as defined in Section 2.4 of the Abridged Prospectus released on 27 May 2022) undertake that they will subscribe in full for their entitlements of Rights Shares under the Rights Issue. The Company had also, on 11 May 2022, entered into an Underwriting Agreement with AmlInvestment Bank Berhad, Maybank Investment Bank Berhad and Kenanga Investment Bank Berhad to underwrite up to 620,045,679 Rights Shares, representing 72.23% of the total Rights Shares (allotted based on the outstanding shares as at 30 April 2022) and 100.0% of the Open Portion.

On 27 May 2022, the Company issued 844,207,538 Rights Shares with up to 361,803,230 Warrants. The final number of Warrants to be issued will be dependent on number of Rights Shares exercised and allocated to each shareholder.

Out of the proceeds from the Rights Shares, up to 64.0% will be utilised for the FPSO Maria Quitéria project awarded by Petróleo Brasileiro S.A. in Brazil. As for the rest of the proceeds, an estimated 3.7% will be used for the expansion of our renewable energy and green technology businesses, 26.7% for repayment of bank borrowings, 4.6% for working capital and 1.0% for expenses related to the Corporate Exercises.

The Proposed Rights Issue is expected to be completed by end June 2022.

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current and Cumulative period 3 months ended	
	30.4.2022 RM million	30.4.2021 RM million
<u>Joint ventures</u>		
- dividend income	49	30
- management fee income	-	3
- finance lease income	-	1

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	Immediate Preceding Quarter	Changes	
	30.4.2022 RM million	31.1.2022 RM million	RM million	%
Revenue	1,005	741	264	35.6%
Direct expenses	(643)	(420)	(223)	53.1%
Gross profit	362	321	41	12.8%
Other operating income	23	56	(33)	-58.9%
Administrative expenses	(81)	(106)	25	-23.6%
Profit from operations	304	271	33	12.2%
Finance costs	(111)	(112)	1	-0.9%
Share of loss of joint ventures	(1)	(2)	1	-50.0%
Share of loss of associates	(2)	(2)	-	-100.0%
Profit before tax	190	155	35	22.6%
Income tax expense	(51)	(61)	10	-16.4%
Profit after tax	139	94	45	47.9%

For the quarter under review, the Group reported a higher revenue of RM1,005 million compared to Q4 FY22's revenue of RM741 million. The increase was mainly due to commencement of EPCIC business activities for FPSO Maria Quitéria and higher contribution from FPSO operations in the current financial period.

The Group's profit before tax for the first quarter of the current financial year increased by 22.6% or RM35 million to RM190 million as compared to the RM155 million in the preceding quarter. The increase was mainly due to the above-mentioned contribution effect from EPCIC business activities and FPSO operations, absence of fair value losses on other investments of RM29 million and increase in favourable foreign exchange movement of RM10 million, which were partially offset by a decrease in other income of RM33 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

There was no corporate proposal announced but not completed as at the date of issue of the quarterly report, except as disclosed in Note 17 '*Material Events After Reporting Date*'.

24. Material Litigation

There was no material litigation as at the date of issue of the quarterly report.

25. Dividend Payable

The Board of Directors had on 29 March 2022, recommended 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 to be held on 14 July 2022.

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 30 April 2022 are as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets
	RM million	RM million
Interest rate swaps More than 3 years	5,875	235

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

26. Derivatives (continued)

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 RM860 million that pays floating interest at 3 months US\$ LIBOR;
- ii. contracts amounting to RM2,969 million that pays floating interest at 3 months US\$ LIBOR; and
- iii. contracts amounting to RM2,046 million that pays floating interest at 3 months US\$ Secured Overnight Financing Rate.

For all items above, 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 30 April 2022, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM258 million.

27. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2022 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 23 June 2022.