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

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Three Months Period Ended 30 April 2023

	Individual and Cumulative Period 1st Quarter			
	Current Year Quarter 30.4.2023 Unaudited RM million	Preceding Year Corresponding Quarter 30.4.2022 Unaudited RM million	Changes (Amount / %) RM million	%
Revenue	3,018	1,005	2,013	200.3%
Direct expenses	(2,395)	(643)	(1,752)	272.5%
Gross profit	623	362	261	72.1%
Other operating income	17	23	(6)	-26.1%
Administrative expenses	(139)	(81)	(58)	71.6%
Profit from operations	501	304	197	64.8%
Finance costs	(201)	(111)	(90)	81.1%
Share of loss of joint ventures	-	(1)	1	-100.0%
Share of loss of associates	(4)	(2)	(2)	100.0%
Profit before tax	296	190	106	55.8%
Income tax expense	(102)	(51)	(51)	100.0%
Profit for the period	**194**	**139**	**55**	**39.6%**
Profit/(Loss) attributable to:				
Owners of the Company	208	120	88	73.3%
Non-controlling interests	(14)	19	(33)	-173.7%
	194	139	55	39.6%
	Sen	**Sen (Restated)**	**Changes (Amount / %) Sen**	**%**
Earnings per share attributable to ordinary equity shareholders of the Company:				
Basic	6.1	3.6	2.5	69.4%
Diluted	6.0	3.6	2.4	66.7%

For comparative purpose, the basic and diluted earnings per share for the period ended 30 April 2022 had been adjusted to reflect the rights issue of 2 rights shares for every 5 existing ordinary shares which was completed on 28 June 2022, and distributions declared to holders of perpetual securities in determining the profits attributable to ordinary equity shareholders.

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 2023

	Individual and Cumulative Period 1st Quarter			
	Current Year Quarter 30.4.2023 Unaudited RM million	Preceding Year Corresponding Quarter 30.4.2022 Unaudited RM million	Changes (Amount / %) RM million	%
Profit for the period	194	139	55	39.6%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	341	226	115	50.9%
- Loss from net investment hedge	(59)	-	(59)	-100.0%
- Cash flows hedge reserve	24	245	(221)	-90.2%
- Reclassification of changes in fair value of cash flow hedges	(27)	13	(40)	-307.7%
- Put option reserve	(3)	(4)	1	-25.0%
Total comprehensive income for the period	**470**	**619**	**(149)**	**-24.1%**
Total comprehensive income for the period attributable to:				
Owners of the Company	458	523	(65)	-12.4%
Non-controlling interests	12	96	(84)	-87.5%
	470	619	(149)	-24.1%

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 2023

	AS AT 30.4.2023 Unaudited RM million	AS AT 31.1.2023 Audited RM million
ASSETS		
Non-current assets		
Property, plant and equipment	4,475	4,271
Investment properties	15	15
Intangible assets	252	251
Investment in joint ventures	359	359
Investment in associates	123	111
Deferred tax assets	37	35
Trade and other receivables	114	117
Other assets	28	28
Derivatives	335	340
Finance lease receivables	2,068	1,998
Contract assets	9,825	8,219
	17,631	**15,744**
Current assets		
Inventories	27	25
Trade and other receivables	873	802
Other assets	297	738
Finance lease receivables	105	97
Derivatives	32	69
Other investments	-	153
Cash and bank balances	2,020	1,507
Contract assets	132	124
	3,486	**3,515**
TOTAL ASSETS	**21,117**	**19,259**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 April 2023

	AS AT 30.4.2023 Unaudited RM million	AS AT 31.1.2023 Audited RM million
EQUITY AND LIABILITIES		
Equity		
Share capital	2,240	2,220
Treasury shares	(369)	(369)
Foreign currency translation reserve	457	201
Cash flows hedge reserve	275	278
Share-based option reserve	4	8
Share grant reserve	17	16
Put option reserve	(38)	(62)
Warrants reserve	110	110
Retained earnings	1,902	1,730
Equity attributable to owners of the Company	4,598	4,132
Perpetual securities	1,792	1,792
Non-controlling interests	524	534
Total equity	**6,914**	**6,458**
Non-current liabilities		
Loans and borrowings	8,912	8,348
Lease liabilities	71	68
Contract liabilities	255	257
Trade and other payables	258	208
Deferred tax liabilities	370	330
	9,866	**9,211**
Current liabilities		
Loans and borrowings	1,605	1,236
Lease liabilities	21	21
Trade and other payables	2,074	1,290
Derivatives	4	2
Put option liability	38	62
Tax payables	69	51
Contract liabilities	526	928
	4,337	**3,590**
Total liabilities	**14,203**	**12,801**
TOTAL EQUITY AND LIABILITIES	**21,117**	**19,259**
Net assets per share attributable to owners of the Company (RM)	**1.58**	**1.43**

The condensed consolidated statement of financial position 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 CHANGES IN EQUITY
For The Three Months Period Ended 30 April 2023

	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**	**Warrants reserve RM million**	**Retained earnings RM million**	**Total equity attributable to owners of the Company RM million**	**Perpetual securities RM million**	**Non-controlling interests RM million**	**Total equity RM million**
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 year	-	-	207	200	-	-	(4)	-	120	523	-	96	619
Paid and accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(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**
At 1 February 2023	2,220	(369)	201	278	8	16	(62)	110	1,730	4,132	1,792	534	6,458
Total comprehensive income/(loss) for the year	-	-	256	(3)	-	-	(3)	-	208	458	-	12	470
Paid and accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(32)	(32)	-	-	(32)
Exercise of ESS	20	-	-	-	(3)	-	-	-	-	17	-	-	17
ESS lapsed	-	-	-	-	(1)	-	-	-	1	-	-	-	-
Effect of Long-Term Incentive Plan	-	-	-	-	-	1	-	-	-	1	-	-	1
Cash dividends to non-controlling interests	-	-	-	-	-	-	27	-	-	27	-	(27)	-
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	(5)	(5)	-	5	-
At 30 April 2023 (Unaudited)	**2,240**	**(369)**	**457**	**275**	**4**	**17**	**(38)**	**110**	**1,902**	**4,598**	**1,792**	**524**	**6,914**

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 2023

	Cumulative Period	
	30.4.2023 Unaudited RM million	30.4.2022 Unaudited RM million Restated
OPERATING ACTIVITIES		
Profit before tax	296	190
Adjustments for:		
Depreciation of property, plant and equipment	65	70
Amortisation of intangible assets	14	13
Unrealised gain on foreign exchange	4	(14)
Finance costs	201	111
Property, plant and equipment written off	-	1
Bad debts written off	-	1
Share of loss of joint ventures	-	1
Share of loss of associates	4	2
Finance lease income	(86)	(86)
Interest income	(12)	(6)
Equity settled share-based payment transaction	1	5
Operating cash flows before working capital changes	487	288
Receivables	2	(49)
Contract assets	(1,871)	(589)
Contract liabilities	694	310
Other current assets	(7)	(35)
Inventories	(1)	-
Payables	664	123
Cash flows (used in)/generated from operations	(32)	48
Finance lease payments received	95	107
Interest received	18	8
Finance costs paid	(1)	(1)
Tax paid	(45)	(21)
Net cash flows generated from operating activities	**35**	**141**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Three Months Period Ended 30 April 2023

	Cumulative Period	
	30.4.2023 Unaudited RM million	30.4.2022 Unaudited RM million Restated
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents	(3)	(13)
Loan to an associate	(2)	-
Investment in joint ventures	(1)	-
Investment in associates	(3)	(4)
Dividend received from joint ventures	17	49
Proceeds from disposal of other investments	150	75
Purchase of intangible assets	(3)	-
Purchase of property, plant and equipment	(28)	(29)
Deposits paid for acquisition of property, plant and equipment	(23)	(14)
Net cash flows generated from investing activities	**104**	**64**
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(27)	(30)
Drawdown of loans and borrowings	743	356
Perpetual securities distribution paid	(21)	(70)
Proceeds from equity-settled share-based options	17	9
Purchase of treasury shares	-	(24)
Repayment of loans and borrowings	(256)	(167)
Repayment of lease liabilities	(6)	(4)
Finance costs paid	(136)	(78)
Net cash flows generated from/(used in) financing activities	**314**	**(8)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	453	197
Effects of foreign exchange rate changes	60	104
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	1,422	2,775
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	**1,935**	**3,076**

Please refer to Note 1 "IFRIC agenda decisions that are concluded and published" for details on the restatement of prior period's Statement of Cash Flows.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Three Months Period Ended 30 April 2023

	Cumulative Period	
	30.4.2023	30.4.2022
	Unaudited	Unaudited
	RM million	RM million
		Restated

For the purpose of the statements of cash flows, cash and cash equivalents at the reporting dates comprised the following:

Cash and bank balances	2,020	3,163
Less: Fixed deposits with maturity period over 3 months	(85)	(87)
Cash and cash equivalents	**1,935**	**3,076**

Included in cash and cash equivalents are bank balances and deposits with licensed banks amounting to RM494 million (30 April 2022: RM1,563 million) that were restricted based on the respective requirements of the lenders. These restricted amounts can only be used for purposes specified in the respective loan agreements, such as:

- Debt Service Reserve Accounts, where specified minimum amounts are required to be maintained to service loans;
- Operation and maintenance restricted accounts, where the amounts can only be utilised for expenses related to the charter and operation and maintenance contracts relating to the specified FPSO; and
- FPSO restricted accounts, where the amounts can only be utilised for construction of a FPSO.

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 period ended 30 April 2023 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 2023. 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 2023 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 February 2023.

- Amendments to MFRS 112 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
- Amendments to MFRS 108 "Definition of Material"
- Amendments to MFRS 101 "Disclosure of Accounting Policies"

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

IFRIC agenda decisions that are concluded and published

In view that MFRS is fully converged with IFRS, the Group considers all agenda decisions published by the IFRS Interpretation Committee ("IFRIC"). Where relevant, the Group may change their policy to be aligned with the agenda decision.

In the prior financial year, the Group has adopted the IFRIC agenda decision on IAS 7 Statement of Cash Flows on demand deposits with restrictions on use arising from a contract with a third party resulting in a change in accounting policy. The IFRIC in its April 2022 meeting concluded that restrictions on the use of a demand deposit arising from a contract with a third party do not result in the deposit no longer being cash, unless those restrictions change the nature of the deposit in a way that it would no longer meet the definition of cash in IAS 7.

In line with the IFRIC agenda decision, the Group had, in the prior financial year, reassessed and determined that the restricted deposits were to be included as a component of cash and cash equivalents in the statements of cash flows. The change in accounting policy was applied retrospectively where comparative information was restated by including the restricted deposits as a component of cash and cash equivalents in the statements of cash flows. The change in accounting policy had no impact on the retained earnings and statements of financial position as at 1 February 2022, 31 January 2023 and 30 April 2023, statements of comprehensive income and statements of changes in equity of the Group for the financial periods ended 30 April 2022 and 30 April 2023.

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 2024</u>

- Amendments to MFRS 16 "Lease Liability in a Sale and Leaseback"
- Amendments to MFRS 101 "Presentation of Financial Statements"

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 2023, except 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 2024.

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 2023 except for:

(a) Incorporation of subsidiaries

Name of subsidiaries	**Date of incorporation**	**Country of incorporation**	**Proportion of ownership interest (%)**	**Principal activities**
Yinson Brasil Servicos Ltda	13 February 2023	Brazil	100%	Provision of intercompany services
YR Messinello Solar Pte Ltd	13 February 2023	Singapore	100%	Investment holding
YR Colombia Limited	17 February 2023	United Kingdom	100%	Investment holding
Messinello Solar S.r.l.	24 February 2023	Italy	100%	Production of energy / power generation through alternative source (solar or wind)

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 2023 except for: (continued)

(a) Incorporation of subsidiaries (continued)

Name of subsidiaries	**Date of incorporation**	**Country of incorporation**	**Proportion of ownership interest (%)**	**Principal activities**
Edendale Wind Limited	27 February 2023	New Zealand	100%	Generation of electricity through renewable resources
Farosson Investments Pte. Ltd.	13 March 2023	Singapore	100%	Investment holding
Farosson Advisory Pte. Ltd.	13 March 2023	Singapore	100%	Corporate finance advisory services
Farosson Sdn Bhd	14 March 2023	Malaysia	100%	Business support services

(b) Acquisition of subsidiaries

Name of subsidiaries	**Date of acquisition**	**Country**	**Proportion of ownership interest (%)**	**Principal activities**
London Marine Group Limited	7 February 2023	United Kingdom	100%	Activities of head offices
London Marine Consultants Limited	7 February 2023	United Kingdom	100%	Engineering related scientific and technical consulting activities
LMC Asia Pacific Pte. Ltd.	7 February 2023	Singapore	100%	Installation of industrial machinery and equipment, mechanical engineering works

The total purchase consideration for London Marine Group Limited, London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd. (collectively "LMG Group") amounted to USD633,281 (equivalent to RM2.8 million). The acquisition of LMG Group is not expected to have material impact to the Group.

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 2023 except for: (continued)

(c) Partial disposal of a subsidiary resulting in loss of control

On 14 April 2023, Yinson EV Charge Pte. Ltd. (“YEVCPL”), an indirect wholly owned subsidiary of the Company, subscribed for 249,999 additional ordinary shares in Yinson EV Charge - LHN Energy Pte. Ltd. (“YEVC-LHNPL”) for a total cash consideration of SGD249,999 (RM0.8 million) while LHN EVCO Pte. Ltd. (“LHNEVCOPL”) subscribed for 250,000 ordinary shares in YEVC-LHNPL for a total cash consideration of SGD250,000 (RM0.8 million).

As a result, YEVC-LHNPL became a joint venture of the Group with YEVCPL and LHNEVCOPL each holding 250,000 ordinary shares, representing 50% equity interest of the share capital of YEVC-LHNPL respectively.

(d) Additional investments in associates

(i) Oyika Pte. Ltd.

On 11 June 2021, Yinson Venture Capital Pte. Ltd. (“YVCPL”), an indirect wholly-owned subsidiary of the Company, has subscribed for 700,006 Series A preference shares (“Series A Shares”), representing 20.8% equity interest in the share capital of Oyika Pte. Ltd. (“OyikaPL”) for a total consideration of USD5 million.

On 13 September 2022, YVCPL has entered into a convertible promissory note with OyikaPL to provide a principal amount of USD2 million (“Convertible Note”) to OyikaPL.

On 18 April 2023, YVCPL has further subscribed for 192,069 Series B preference shares (“Series B Shares”), representing 4.64% equity interest in the share capital of OyikaPL for a total consideration of USD2 million which is offset by the subscription amount against all amounts owing by OyikaPL to YVCPL under the Convertible Note issued on 13 September 2022.

Following the subscription of Series B Shares, YVCPL’s interest in Series A Shares of OyikaPL decreased from 20.8% to 16.90%. As a result, including both Series A and Series B shares, YVCPL now owns 21.54% equity interest in OyikaPL.

(ii) Plus Xnergy Assets Sdn. Bhd.

On 26 April 2023, YR C&I Pte. Ltd. (“YRCIPL”), an indirect wholly-owned subsidiary of the Company and Plus Xnergy Services Sdn. Bhd. (“PXSSB”) have further subscribed for 990,000 and 1,485,000 new ordinary shares in the share capital of Plus Xnergy Assets Sdn. Bhd. (“PXASB”) respectively at an issue price of RM1.00 each. The shareholding of YRCIPL and PXSSB in PXASB remains unchanged at 40% and 60% respectively.

(e) Acquisition of an associate

On 9 February 2023, YVCPL subscribed for 55,872 shares, each with a nominal value of NOK1.00 in Zeabuz AS (“Zeabuz”), representing 6.2% equity interest in Zeabuz for a total cash consideration of NOK4,999,985 (RM2.2 million).

The Group has concluded that it has significant influence in Zeabuz, even though it holds less than 20% equity interest in this associate. Based on the agreement signed between the shareholders, YVCPL has board representation and the power to participate in policy-making decisions.

6. Segment information

For the Three Months Period Ended 30 April 2023

	Offshore Production & Offshore Marine			Renewables	Green Technologies	Other Operations	Consolidated
	EPCIC	FPSO Operations	Total				
	RM million	RM million	RM million	RM million	RM million	RM million	RM million
Revenue							
Gross revenue	2,620	552	3,172	18	5	63	3,258
Elimination	-	(174)	(174)	-	(4)	(62)	(240)
Net revenue	2,620	378	2,998	18	1	1	3,018
Results							
Segment results	391	185	576	(5)	(7)	(63)	501
Finance costs							(201)
Share of loss of associates							(4)
Income tax expense							(102)
Profit after tax							194

For the Three Months Period Ended 30 April 2022

	Offshore Production & Offshore Marine			Renewables	Green Technologies	Other Operations	Consolidated
	EPCIC	FPSO Operations	Total				
	RM million	RM million	RM million	RM million	RM million	RM million	RM million
Revenue							
Gross revenue	589	584	1,173	20	1	106	1,300
Elimination	-	(188)	(188)	-	(1)	(106)	(295)
Net revenue	589	396	985	20	-	-	1,005
Results							
Segment results	110	209	319	1	(4)	(12)	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

For management purposes, the Group is organised into business units based on the nature of services, and has the following reportable operating segments as follows:

a) Offshore Production & Offshore Marine segment consists of Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") business activities and FPSO operations covering leasing of vessels and marine related services.
b) Renewables segment consists of owning and operating renewable energy generation assets.
c) Green Technologies segment consists of investment in strategic green technology companies and development of assets within the marine, mobility and energy segments (including marine transport, urban mobility, micromobility and charging infrastructure).
d) Other operations segment mainly consists of investment holding, management services and treasury services.

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 period under review increased by RM2,013 million to RM2,998 million as compared to RM985 million in the corresponding financial period ended 30 April 2022. The increase in revenue was mainly due to higher contribution from EPCIC business activities (based on progress of construction).

In the current financial period, EPCIC business activities for FPSO Agogo had commenced subsequent to the execution of firm contracts with Eni Angola S.p.A. on 27 February 2023. The higher contribution from EPCIC business activities related to FPSO Agogo, FPSO Maria Quitéria and FPSO Atlanta was partially offset by lower contribution from FPSO Anna Nery.

The segment recorded higher results by RM257 million to RM576 million as compared to RM319 million in the corresponding financial period ended 30 April 2022, mainly arising from higher contribution from EPCIC business activities in the current financial period.

6. Segment information (continued)

Renewables

The segment has incurred a loss of RM5 million for the financial period under review as compared to a profit of RM1 million in the corresponding financial period ended 30 April 2022. The loss in the current financial period was mainly contributed by higher operational overheads incurred to drive the future growth of the business segment. The profit contribution from the Bhadla operations remains stable in the current financial period.

Green Technologies

The segment has incurred a loss of RM7 million for the financial period under review as compared to a loss of RM4 million in the corresponding financial period ended 30 April 2022. The higher loss in the current financial period was mainly due to higher operational overheads to drive the future growth of the business segment.

Other Operations

The segment has incurred a loss of RM63 million for the financial period under review as compared to a loss of RM12 million in the corresponding financial period ended 30 April 2022. The higher losses in the current financial year were mainly due to higher operational overheads, primarily personnel costs, incurred to drive the future growth of the Group.

Share of results of joint ventures and associates

Joint ventures and associates have collectively contributed share of loss of RM4 million for the financial period under review as compared to RM3 million for the corresponding financial period ended 30 April 2022. The losses were mainly contributed by higher 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 increased by RM55 million or 40% to RM194 million as compared to RM139 million for the corresponding financial period ended 30 April 2022. The increase was mainly due to the higher contribution from the Group's EPCIC business activities as deliberated in the "Offshore Production & Offshore Marine" section above, which were partially offset by the following:

- Increase in administrative expenses of RM58 million, mainly arising from higher operational overheads, primarily personnel costs, incurred to drive the future growth of the Group;
- Increase in finance costs of RM90 million, mainly arising from the higher drawdowns of the secured USD670 million syndicated long-term loan facility for the FPSO Anna Nery project and USD720 million syndicated loan facility for the FPSO Maria Quitéria project; and
- Increase in tax expenses of RM51 million, which was in line with the higher contribution from EPCIC business activities in the current financial period.

Consolidated financial position

For the current financial period under review, the Group's current assets decreased by RM29 million to RM3,486 million from RM3,515 million for the last audited financial year ended 31 January 2023. The Group's current liabilities increased by RM747 million to RM4,337 million from RM3,590 million for the last audited financial year ended 31 January 2023 mainly arising from increased payables position to fund the increased level of EPCIC business activities related to FPSO Maria Quitéria, FPSO Atlanta and FPSO Agogo and certain loans of the Group which fall due within 12 months from the reporting date in accordance with the agreed loan repayment schedules.

6. **Segment information (continued)**

Consolidated financial position (continued)

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 0.80 times as compared to 0.98 times of the last audited financial year ended 31 January 2023. The decrease is in accordance with the deliberation on the movement of the Group's current assets and current liabilities.

Although the Group had available undrawn financing facilities of RM4,846 million as at 30 April 2023, there was a trade-off between maintaining our short-term payables and drawing down our financing facilities to settle these payables during the construction period of our FPSOs. In the current high interest rate environment, it is more prudent for the Group to maintain our short-term liabilities rather than incurring higher financing costs.

With the continued availability of these financing facilities required for the Group to support their current level of operations, the Group expects that it has sufficient liquidity to meet its liabilities in the foreseeable future.

Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances plus liquid investments" divided by "Total Equity") remained stable at 1.23 times in the current financial period and the last audited financial year ended 31 January 2023. The stability in the Group's Net Gearing Ratio is primarily the result of the Group's enhanced total equity position of RM6,914 million, which moderated the impact of the Group's higher leverage on additional loans and borrowings drawn down to fund project execution needs.

7. **Profit Before Tax**

Included in the profit before tax are the following items:

	Current and Cumulative 3 months ended	
	30.4.2023 Unaudited RM million	**30.4.2022 Unaudited RM million**
Interest income	(12)	(6)
Other income including investment income	(6)	(1)
Finance costs	201	111
Depreciation of property, plant and equipment	65	70
Amortisation of intangible assets	14	13
Property, plant and equipment written off	-	1
Net loss/(gain) on foreign exchange	1	(16)
Bad debts written off	-	1

8. Income Tax Expense

The income tax expense consists of:

	Current and Cumulative 3 months ended	
	30.4.2023 Unaudited RM million	**30.4.2022 Unaudited RM million**
Current income tax	73	31
Deferred income tax	29	20
Total income tax expense	**102**	**51**

The effective tax rate for the current quarter ended 30 April 2023 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

The calculation of the basic earnings per share is based on the net profit attributable to the ordinary equity shareholders of the Company for the year divided by the weighted average number of ordinary shares in issue or issuable during the financial period, if any, 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	
	30.4.2023 Unaudited	**30.4.2022 Unaudited Restated @**
Net profit attributable to owners of the Company (RM million)	208	120
(Less): Distributions declared to holders of perpetual securities (RM million) @	(32)	(34)
Net profit attributable to ordinary equity shareholders of the Company (RM million)	176	86
Weighted average number of ordinary shares in issue ('000)	2,903,586	2,131,215
Rights issue completed on 28 June 2022 ('000) *	-	273,635
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,903,586	2,404,850
Basic earnings per share (sen)	6.1	3.6

9. Earnings Per Share (continued)

(b) Diluted

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

	Current and Cumulative 3 months ended	
	30.4.2023 Unaudited	**30.4.2022 Unaudited Restated @**
Net profit attributable to ordinary equity shareholders of the Company (RM million)	176	86
Weighted average number of ordinary shares in issue ('000)	2,903,586	2,131,215
Adjustments for ESS options & warrants ('000)	45,299	835
Adjusted weighted average number of ordinary shares in issue ('000)	2,948,885	2,132,050
Rights issue completed on 28 June 2022 ('000) *	-	273,635
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,948,885	2,405,685
Diluted earnings per share (sen)	6.0	3.6

(c) Restatement of prior period earnings per share

* For comparative purpose, the basic and diluted earnings per share for the period ended 30 April 2022 had been adjusted to reflect the bonus element of the rights issue of 2 rights shares for every 5 existing ordinary shares which was completed on 28 June 2022.

@ In accordance with MFRS 133 Earnings Per Share, paragraph 12, the profit or loss attributable to ordinary equity shareholders of the Company for the purpose of calculating basic and diluted earnings per share shall be adjusted for the after-tax amounts of preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity. The Group has re-assessed the above-mentioned guidance provided by MFRS 133 Earnings Per Share. Accordingly, the profit attributable to ordinary equity shareholders of the Company for the purpose of calculating the basic and diluted earnings per share of the Group for the financial period ended 30 April 2022 was adjusted retrospectively to reflect the distributions declared to holders of perpetual securities of the Group.

There is no impact on the assets, liabilities, equity and profit or loss of the Group arising from the above-mentioned adjustment.

10. Acquisitions and disposals of property, plant and equipment

The acquisition of property, plant & equipment for the current financial period was RM51 million (30 April 2022: RM43 million). There was no material disposal for the current financial period.

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 other issuance, 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 10,138,985 new ordinary shares arising from the exercise of options under Employees' Share Scheme amounting to cash consideration of RM17 million.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 30 April 2023 and 30 April 2022 are as follows:

	As at 30 April 2023		
	Short term RM million	**Long term RM million**	**Total borrowings RM million**
Secured			
Sustainability-Linked Sukuk Wakalah	21	996	1,017
Term loans	1,128	7,437	8,565
Revolving credits	127	-	127
Trade facilities	149	-	149
	1,425	8,433	9,858
Unsecured			
Term loans	-	479	479
Revolving credits	180	-	180
	180	479	659
Total loans and borrowings	**1,605**	**8,912**	**10,517**

13. Interest-bearing Loans and Borrowings (continued)

The Group's total borrowings as at 30 April 2023 and 30 April 2022 were as follows: (continued)

	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**

Except for the borrowings of RM8,634 million (30 April 2022: RM7,916 million) denominated in US Dollar and RM753 million (30 April 2022: RM310 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 drawn down for project and working capital purposes.

14. Dividend Paid

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

15. Capital Commitments

As at 30 April 2023, the capital commitments not provided for in the interim condensed financial statements was as follows:

- Approved and contracted for – RM128 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) Yinson Production-Sumitomo's FPSO Anna Nery achieves first oil

On October 2019, Letters of Intent for the conversion and leasing of FPSO Anna Nery project was awarded to Yinson Production ("YP") by Petróleo Brasileiro S.A. ("Petrobras"), followed by firm contracts execution in March 2020.

YP, together with project partner Sumitomo Corporation, participated in the project with a 75% and 25% stake respectively. FPSO Anna Nery is targeted to be operating at the Marlim Field located in the eastern part of the Campos Basin, about 150 km offshore Rio de Janeiro.

On 7 May 2023, FPSO Anna Nery has achieved first oil following successful 72-hour testing. This marks the commencement of the provision of chartering and operating and maintenance services of FPSO Anna Nery to Petrobras for a period of 25 years, until 2048.

(b) Yinson Production receives Charter Contract Extension for FSO PTSC Bien Dong 01

YP, through its joint venture company with PetroVietnam Technical Services Corporation ("PTSC"), PTSC South East Asia Pte. Ltd. ("PTSC SEA"), has received a 5-year extension for the Bareboat Charter Contract for FSO PTSC Bien Dong 01 ("Contract").

The extension via the addendum entered by PTSC and PTSC SEA on 2 June 2023 sets an Extension Period for the Contract from 4 June 2023 to 3 June 2028.

The value of the Contract is estimated at USD74.6 million (RM344 million). PTSC SEA is 49% and 51% owned by Yinson and PTSC respectively.

18. Related Party Disclosures

Significant related party transactions were as follows:

	Current and Cumulative period 3 months ended	
	30.4.2023 RM million	**30.4.2022 RM million**
Related companies controlled by certain Directors:		
- purchase of vehicles	1	-
- service fee charges	1	-
Joint ventures		
- dividend income	17	49
Associates		
- loan	2	-

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 30.4.2023 RM million	Immediate Preceding Quarter 31.1.2023 RM million	Changes RM million	%
Revenue	3,018	1,962	1,056	53.8%
Direct expenses	(2,395)	(1,459)	(936)	64.2%
Gross profit	623	503	120	23.9%
Other operating income	17	37	(20)	-54.1%
Administrative expenses	(139)	(215)	76	-35.3%
Profit from operations	501	325	176	54.2%
Finance costs	(201)	(172)	(29)	16.9%
Share of loss of joint ventures	-	(1)	1	-
Share of loss of associates	(4)	(2)	(2)	100.0%
Profit before tax	296	150	146	97.3%
Income tax expense	(102)	(41)	(61)	148.8%
Profit after tax	194	109	85	78.0%

For the quarter under review, the Group reported a higher revenue of RM3,018 million compared to Q4 FY23's revenue of RM1,962 million. The increase was mainly due to higher contribution from EPCIC business activities (based on progress of construction). The higher contribution from EPCIC business activities arose from higher contribution from FPSO Atlanta and FPSO Agogo, which was partially offset by lower contribution from FPSO Maria Quitéria and FPSO Anna Nery.

The Group's profit after tax for the first quarter of the current financial year increased by 78% or RM85 million to RM194 million as compared to RM109 million in the preceding quarter. The increase was mainly due to the higher contribution from EPCIC business activities, absence of one-off impairment losses of RM125 million, which was offset by unfavourable foreign exchange movement of RM69 million, increase in financing costs of RM29 million and increase in tax expenses of RM61 million.

21. Commentary on Prospects

Global demand for clean, affordable and stable energy continues to grow, which has helped drive expansion in all our business units.

The FPSO market continues to see strong demand for contractors like Yinson, who have an edge in emissions reduction technologies and a solid track record of on-time delivery and safety and operational performance. The demand for FPSOs is positive with the increase in project sanctions around the world particularly from Brazil, being the highest FPSO demand centre, followed by West Africa.

21. Commentary on Prospects (continued)

The broader effect of elevated energy prices is the acceleration of the energy transition, as more investments pour into developing renewable and alternative sources of energy. This has supported the progress of our renewables pipeline in our core markets of Latin America, the Asia Pacific and Europe. Although the higher energy prices encourages business activities within the oil & gas industry, the Russia-Ukraine conflict remains of economic concern, causing further inflation and supply chain bottlenecks on a global economy that has already been straining to adjust to the challenges stemming from the Covid-19 pandemic. Globally, interest rates have also risen significantly as we saw a more than twentyfold increase in the three-month USD-LIBOR rate in the previous financial year with similar trends in the first quarter of the current financial year.

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

As we look ahead, we remain optimistic about the future of our businesses, fuelled by the strong demand for energy. However, we also recognise the various uncertainties that exist in the markets we operate in. That is why we are committed to putting sustainability and ESG front and centre, making them the heart of our decision-making process. By doing so, we believe that we can weather the ups and downs of the energy market while delivering sustained value to our stakeholders. Supported by our existing portfolio of long-term contracts, we believe we can achieve satisfactory results for the financial year ending 31 January 2024.

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>Extension of Agreement for Preliminary Activities and Execution of Contract for Chartering and Provision of Floating Production Storage and Offloading (“FPSO”) Services in the West Hub Part of Block 15/06 in Angola (“Agogo FPSO”)</u>

On 2 December 2022, Yinson Azalea Production Pte Ltd (“YAPPL”), an indirect wholly owned subsidiary of the Company, incorporated in Singapore, has entered into the Agreement for Preliminary Activies (“APA”) with Eni Angola S.p.A. (“Eni”), a wholly owned subsidiary of Azule Energy. In entering into the APA, both YAPPL and Eni have interests in commencing with the preliminary work to safeguard the project schedule in accordance with the terms therein, in anticipation of the finalization of a contract (“Contract”).

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

i) The tenure of the APA is for a period of 60 days or approximately two (2) months from the Effective Date, being 2 December 2022 of the APA.

ii) The estimated aggregate value of the APA is approximately USD218 million (equivalent to approximately RM956 million), subject to the terms and condition of the APA.

Eni, on 23 January 2023 and 17 February 2023, entered into two separate agreements with YAPPL to further extend the tenure of the APA for a period of up to 20 February 2023 and subsequently to 28 February 2023 (“APA Extensions”). Save for the extension of the tenure, the terms under the APA Extensions remains unchanged. The estimated aggregate value of the APA Extensions is approximately USD92 million (equivalent to approximately RM418 million).

23. **Status of Corporate Proposals and Utilisation of Proceeds (continued)**

(a) Extension of Agreement for Preliminary Activities and Execution of Contract for Chartering and Provision of Floating Production Storage and Offloading (“FPSO”) Services in the West Hub Part of Block 15/06 in Angola (“Agogo FPSO”) (continued)

On 27 February 2023, YAPPL and Yinson Azalea Operações Angola - Prestação de Serviços, (SU), LDA, each an indirect wholly owned subsidiary of Yinson, have entered into the Contract with Eni for the provision of:

i) A floating, production, storage and offloading vessel to be deployed for the Agogo Integrated West Hub Development Project, located in the West Hub part of Block 15/06 in Angola (“Agogo FPSO”) to process hydrocarbons; and

ii) Operation and maintenance services for the Agogo FPSO.

Pursuant to the Contract, the term of the charter is for a fixed period of 5,479 days or approximately 15 years, with the option to extend the term of the charter for up to five (5) years thereafter. The estimated aggregate value of the Contract is approximately USD5.3 billion (equivalent to approximately RM23.6 billion) (inclusive of an optional 5-year extension period).

The final acceptance under the Contract is expected to take place in fourth quarter of 2025 and the Agogo FPSO is expected to commence operation upon achieving final acceptance under the Contract.

The APA Extensions and the Contract will not have any effect on the share capital and shareholding structure of the Company. The APA Extension and the Contract however is expected to contribute positively to the earnings and net assets per share of the Group.

(b) Proposed Acquisition of the entire equity interest in AFPS B.V. by Yinson Bouvardia Holdings Pte. Ltd. (“YBHPL”), an indirect wholly-owned subsidiary of the Company from Atlanta Field B.V. (“AFBV”) by way of exercising the Call Option granted pursuant to the Call Option Agreement dated 21 February 2022 (“Call Option Agreement”) (“Proposed Acquisition”)

On 2 June 2023, the Company announced a proposal to undertake the proposed acquisition of the entire equity interest in AFPS B.V., a company incorporated under the laws of the Netherlands (“AFPS” or “Target Company”) by YBHPL from AFBV by way of exercising the Call Option granted pursuant to the Call Option Agreement for a purchase consideration equivalent to the purchase consideration to be determined in accordance with the manner set out in the Call Option Agreement (“Option Price” or “Purchase Consideration”). Based on closing date of 31 July 2023, the Option Price is estimated to be USD87.9 million.

Following the Proposed Acquisition, AFPS will be an indirect wholly-owned subsidiary of the Company, via its indirect holding of equity interest in YBHPL. The Proposed Acquisition is conditional upon approvals being obtained from the shareholders of the Company at an EGM to be convened on 13 July 2023 and any other relevant authorities/parties, if required.

24. Material Litigation

A petition by Rising Sun Energy (K) Private Limited ("RSEK"), an indirect subsidiary of the Company, held via YR Nokh Pte Ltd, against NTPC Limited ("NTPC") and Chhattisgarh State Power Distribution Company Limited ("Chhattisgarh")

RSEK entered into a power purchase agreement dated 30 March 2021 (the "PPA") with NTPC whereby RSEK was commissioned to develop a solar power generating system for the supply of power to Chhattisgarh. Due to various changes in law resulting in increase in the rate of goods and services tax and imposition of basic customs duty for which RSEK under the PPA is entitled to compensation, RSEK filed a petition dated 14 July 2022 to Central Electricity Regulatory Commission ("CERC") at New Delhi, India, the mandated body to decide on such matter, seeking for an order for compensation amounting to Indian Rupee 3,557,805,223 (approximately RM187.0 million) ("Claimed Amount").

The first hearing before the CERC was heard on 15 December 2022 and NTPC and Chhattisgarh submitted their responses to CERC including details of the claim on 21 March 2023. A further hearing was held on 25 May 2023, in which CERC directed the parties to carry out a reconciliation of RSEK's monetary claim for compensation and to present the status/outcome of such reconciliation in a new hearing scheduled for 16 August 2023.

The Company has been advised by its legal counsel in India that RSEK has a strong case on merits to obtain a favourable order.

25. Dividend Payable

On 23 March 2023, the Board of Directors recommended a final single-tier dividend of 1.0 sen per share for the financial year ended 31 January 2023. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 13 July 2023. If approved, the entitlement date and payment date for the dividend would be 3 August 2023 and 30 August 2023 respectively.

26. Derivatives

Details of derivative financial instruments outstanding as at 30 April 2023 were as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets	Fair Value Liabilities
	RM million	RM million	RM million
Interest rate swaps (Note (a))			
- Within 1 year	509	31	-
- More than 1 year	5,114	335	-
Foreign exchange forward contracts (Note (b))			
- Within 1 year	1,380	1	4

26. Derivatives (continued)

The fair values of the interest rate swaps and foreign exchange forward contracts are based on quotes obtained from the respective counterparty banks.

(a) 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 RM738 million that pay floating interest at 3 months US$ LIBOR;

ii. contracts amounting to RM2,797 million that pay floating interest at 3 months US$ LIBOR; and

iii. contracts amounting to RM2,088 million that pay 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 2023, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM3 million.

(b) Foreign exchange forward contracts

The Group entered into the following forward contracts to mitigate the Group's exposure from exchange rate movements on foreign currency positions:

i. contracts amounting to RM1,230 million for net assets in foreign operations where the functional currencies are not in Ringgit Malaysia; and

ii. contracts amounting to RM150 million for firm commitments denominated in currencies which are not in the functional currency of the respective subsidiaries.

27. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2023 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 2023.