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

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Six Months Period Ended 31 July 2023

	Individual Period 2nd quarter				Cumulative Period			
	Current Year Quarter 31.7.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.7.2022 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year Quarter 31.7.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.7.2022 Unaudited RM million	Changes (Amount / %) RM million	%
Revenue	3,113	1,620	1,493	92.2%	6,131	2,625	3,506	133.6%
Direct expenses	(2,354)	(1,151)	(1,203)	104.5%	(4,749)	(1,794)	(2,955)	164.7%
Gross profit	759	469	290	61.8%	1,382	831	551	66.3%
Other operating income	24	14	10	71.4%	41	37	4	10.8%
Administrative expenses	(140)	(97)	(43)	44.3%	(279)	(178)	(101)	56.7%
Profit from operations	643	386	257	66.6%	1,144	690	454	65.8%
Finance costs	(202)	(133)	(69)	51.9%	(403)	(244)	(159)	65.2%
Share of profit/(loss) of joint ventures	3	(1)	4	-400.0%	3	(2)	5	-250.0%
Share of profit/(loss) of associates	5	(5)	10	-200.0%	1	(7)	8	-114.3%
Profit before tax	449	247	202	81.8%	745	437	308	70.5%
Income tax expense	(174)	(84)	(90)	107.1%	(276)	(135)	(141)	104.4%
Profit for the period	**275**	**163**	**112**	**68.7%**	**469**	**302**	**167**	**55.3%**
Profit attributable to:								
Owners of the Company	230	143	87	60.8%	438	263	175	66.5%
Non-controlling interests	45	20	25	125.0%	31	39	(8)	-20.5%
	275	163	112	68.7%	469	302	167	55.3%
	Sen	Sen (Restated)	Changes (Amount / %) Sen	%	Sen	Sen (Restated)	Changes (Amount / %) Sen	%
Earnings per share attributable to ordinary equity shareholders of the Company:								
Basic	6.7	4.1	2.6	63.4%	12.8	8.4	4.4	52.4%
Diluted	6.6	4.1	2.5	61.0%	12.6	8.4	4.2	50.0%

For comparative purpose, the basic and diluted earnings per share for the period ended 31 July 2022 had been adjusted to reflect the 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.

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

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Six Months Period Ended 31 July 2023

	Individual Period 2nd quarter				Cumulative Period			
	Current Year Quarter 31.7.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.7.2022 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year Quarter 31.7.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.7.2022 Unaudited RM million	Changes (Amount / %) RM million	%
Profit for the period	275	163	112	68.7%	469	302	167	55.3%
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	159	100	59	59.0%	500	326	174	53.4%
- Loss from net investment hedge	(9)	-	(9)	-100.0%	(68)	-	(68)	-100.0%
- Cash flows hedge reserve	157	(61)	218	-357.4%	181	184	(3)	-1.6%
- Reclassification of changes in fair value of cash flow hedges	(48)	6	(54)	-900.0%	(75)	19	(94)	-494.7%
- Put option reserve	(1)	(3)	2	-66.7%	(4)	(7)	3	-42.9%
Total comprehensive income for the period	**533**	**205**	**328**	**160.0%**	**1,003**	**824**	**179**	**21.7%**
Total comprehensive income for the period attributable to:								
Owners of the Company	456	187	269	143.9%	914	710	204	28.7%
Non-controlling interests	77	18	59	327.8%	89	114	(25)	-21.9%
	533	205	328	160.0%	1,003	824	179	21.7%

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 July 2023

	AS AT 31.7.2023 Unaudited RM million	AS AT 31.1.2023 Audited RM million
ASSETS		
Non-current assets		
Property, plant and equipment	4,534	4,271
Investment properties	15	15
Intangible assets	242	251
Investment in joint ventures	353	359
Investment in associates	138	111
Deferred tax assets	38	35
Trade and other receivables	112	117
Other assets	28	28
Derivatives	433	340
Finance lease receivables	7,783	1,998
Contract assets	6,165	8,219
	19,841	**15,744**
Current assets		
Inventories	26	25
Trade and other receivables	766	802
Other assets	287	738
Finance lease receivables	145	97
Derivatives	79	69
Other investments	-	153
Cash and bank balances	1,191	1,507
Contract assets	-	124
	2,494	**3,515**
TOTAL ASSETS	**22,335**	**19,259**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 July 2023

	AS AT 31.7.2023 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	600	201
Cash flows hedge reserve	359	278
Share-based option reserve	5	8
Share grant reserve	17	16
Put option reserve	(39)	(62)
Warrants reserve	110	110
Retained earnings	2,068	1,730
Equity attributable to owners of the Company	4,991	4,132
Perpetual securities	1,792	1,792
Non-controlling interests	601	534
Total equity	**7,384**	**6,458**
Non-current liabilities		
Loans and borrowings	9,483	8,348
Lease liabilities	76	68
Contract liabilities	253	257
Trade and other payables	232	208
Deferred tax liabilities	476	330
	10,520	**9,211**
Current liabilities		
Loans and borrowings	1,575	1,236
Lease liabilities	22	21
Trade and other payables	2,698	1,290
Derivatives	-	2
Put option liability	39	62
Tax payables	64	51
Contract liabilities	33	928
	4,431	**3,590**
Total liabilities	**14,951**	**12,801**
TOTAL EQUITY AND LIABILITIES	**22,335**	**19,259**
Net assets per share attributable to owners of the Company (RM)	**1.72**	**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.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Six Months Period Ended 31 July 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 period	-	-	296	158	-	-	(7)	-	263	710	-	114	824
Paid and accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(70)	(70)	-	-	(70)
Changes in a subsidiary's shareholding	-	-	-	-	-	-	-	-	-	-	-	16	16
Exercise of ESS	12	-	-	-	(3)	-	-	-	-	9	-	-	9
Issuance of ESS	-	-	-	-	1	-	-	-	-	1	-	-	1
Effect of Long-Term Incentive Plan	-	-	-	-	-	12	-	-	-	12	-	-	12
Rights issue, net of transaction costs	1,181	-	-	-	-	-	-	-	-	1,181	-	-	1,181
Dividends paid to owners of the Company	-	-	-	-	-	-	-	-	(56)	(56)	-	-	(56)
Cash dividends to non-controlling interests	-	-	-	-	-	-	31	-	-	31	-	(31)	-
Purchase of treasury shares	-	(147)	-	-	-	-	-	-	-	(147)	-	-	(147)
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	5	5
At 31 July 2022 (Unaudited)	**2,327**	**(325)**	**502**	**128**	**8**	**38**	**(102)**	**-**	**1,501**	**4,077**	**1,848**	**590**	**6,515**
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 period	-	-	399	81	-	-	(4)	-	438	914	-	89	1,003
Paid and accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(67)	(67)	-	-	(67)
Exercise of ESS	20	-	-	-	(3)	-	-	-	-	17	-	-	17
Issuance of ESS	-	-	-	-	1	-	-	-	-	1	-	-	1
ESS lapsed	-	-	-	-	(1)	-	-	-	1	-	-	-	-
Effect of Long-Term Incentive Plan	-	-	-	-	-	1	-	-	-	1	-	-	1
Dividends paid to owners of the Company	-	-	-	-	-	-	-	-	(29)	(29)	-	-	(29)
Cash dividends to non-controlling interests	-	-	-	-	-	-	27	-	-	27	-	(27)	-
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	(5)	(5)	-	5	-
At 31 July 2023 (Unaudited)	**2,240**	**(369)**	**600**	**359**	**5**	**17**	**(39)**	**110**	**2,068**	**4,991**	**1,792**	**601**	**7,384**

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 Six Months Period Ended 31 July 2023

	Cumulative Period	
	31.7.2023	31.7.2022
	Unaudited	Unaudited
	RM million	RM million
		Restated
OPERATING ACTIVITIES		
Profit before tax	745	437
Adjustments for:		
Depreciation of property, plant and equipment	133	140
Amortisation of intangible assets	30	27
Unrealised gain on foreign exchange	(54)	(14)
Finance costs	403	244
Property, plant and equipment written off	-	1
Bad debts written off	-	1
Share of (profit)/loss of joint ventures	(3)	2
Share of (profit)/loss of associates	(1)	7
Finance lease income	(349)	(180)
Interest income	(23)	(14)
Equity settled share-based payment transaction	2	13
Operating cash flows before working capital changes	883	664
Receivables	289	(324)
Contract assets	(3,627)	(1,414)
Contract liabilities	626	104
Other current assets	37	(120)
Inventories	1	-
Payables	728	353
Cash flows used in operations	(1,063)	(737)
Finance lease payments received	313	241
Interest received	38	22
Finance costs paid	(3)	(3)
Tax paid	(130)	(70)
Net cash flows used in operating activities	**(845)**	**(547)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Six Months Period Ended 31 July 2023

	Cumulative Period	
	31.7.2023	31.7.2022
	Unaudited	Unaudited
	RM million	RM million
		Restated
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents	(77)	(13)
Loan to associates	(22)	-
Investment in joint ventures	(1)	-
Investment in associates	(7)	(8)
Dividend received from joint ventures	35	49
Deposits received for acquisition of property, plant and equipment	-	32
Proceeds from disposal of a subsidiary	-	1
Proceeds from disposal of other investments	153	75
Proceeds from disposal of property, plant and equipment	-	2
Purchase of intangible assets	(3)	-
Purchase of property, plant and equipment	(34)	(176)
Advance payments for acquisition of property, plant and equipment	(61)	(45)
Net cash flows used in investing activities	**(17)**	**(83)**
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(27)	(31)
Proceeds of loans from non-controlling interests	46	-
Drawdown of loans and borrowings	1,416	1,022
Perpetual securities distribution paid	(67)	(70)
Proceeds from equity-settled share-based options	17	9
Purchase of treasury shares	-	(147)
Repayment of loans and borrowings	(597)	(295)
Repayment of lease liabilities	(13)	(8)
Finance costs paid	(322)	(194)
Proceeds from rights issuance, net of transaction costs	-	1,181
Net cash flows generated from financing activities	**453**	**1,467**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(409)	837
Effects of foreign exchange rate changes	86	150
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	**1,099**	**3,762**

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 Six Months Period Ended 31 July 2023

	Cumulative Period	
	31.7.2023	31.7.2022
	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	1,191	3,847
Less: Fixed deposits with maturity period over 3 months	(92)	(85)
Cash and cash equivalents	**1,099**	**3,762**

Included in cash and cash equivalents are bank balances and deposits with licensed banks amounting to RM720 million (31 July 2022: RM1,220 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 31 July 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.

- MFRS 17 Insurance Contracts
- Amendments to MFRS 101 “Disclosure of Accounting Policies”
- Amendments to MFRS 108 “Definition of Material”
- Amendments to MFRS 112 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction” and “International Tax Reform – Pillar Two Model Rules”

The adoption of the above amendments to published standards is not expected to have any material impact to the Group other than Pillar Two Model Rules.

Amendments to MFRS 112 – ‘International Tax Reform – Pillar Two Model Rules’

With regards to the amendments to MFRS 112 on International Tax Reform – Pillar Two Model Rules, the amendments provide a mandatory temporary exception to the requirements in MFRS 112 to recognize and disclose information about deferred tax assets and liabilities arising from Pillar Two Model Rules.

As the Company may be impacted by Base Erosion and Profit Shifting (BEPS) rules, it continues to assess their potential financial impact. It should be noted that the impact can only be finally determined when legislation is enacted in the relevant jurisdictions. Once the final legislation is enacted and a full assessment of the impact is completed, the Company will be able to conclude on the implications of BEPS rules.

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.

1. Basis of Preparation (continued)

IFRIC agenda decisions that are concluded and published (continued)

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 31 July 2023, statements of comprehensive income and statements of changes in equity of the Group for the financial periods ended 31 July 2022 and 31 July 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 31 July 2023, except the continued 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 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 31 July 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)
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
Yinson Digital Sdn. Bhd.	30 June 2023	Malaysia	100%	Develop, design, license and implement digital solutions for marine, mobility, energy, and other related segments
Yinson Production Azalea Holdings (S) Pte. Ltd.	6 July 2023	Singapore	100%	Investment holding
Tangimoana Wind Limited	25 July 2023	New Zealand	100%	Generation of electricity through renewable resources

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

There were no changes in the composition of the Group during the financial period ended 31 July 2023 except for: (continued)

(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
AFPS B.V.	31 July 2023	The Netherlands	100%	Provision of floating marine assets for chartering

The total purchase consideration for London Marine Group Limited, London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd. (collectively "LMG Group") amounted to GBP0.5 million (approximately to RM2.8 million). The acquisition of LMG Group does not have material impact to the Group. Net cash inflow arising from the acquisition was GBP0.2 million (approximately RM0.8 million).

Refer to Note 23(d) for further details on acquisition of AFPS B.V..

(b) 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 SGD0.2 million (RM0.8 million) while LHN EVCO Pte. Ltd. ("LHNEVCOPL") subscribed for 250,000 ordinary shares in YEVC-LHNPL for a total cash consideration of SGD0.2 million (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.

(c) 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.

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

There were no changes in the composition of the Group during the financial period ended 31 July 2023 except for: (continued)

(c) Additional investments in associates (continued)

(i) Oyika Pte. Ltd. (continued)

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.

(iii) Shift Clean Solutions Ltd

On 7 May 2023, Shift Clean Solutions Ltd. ("SCSL") has exercised its call rights with respect to 2,115,488 ordinary shares in the share capital of SCSL pledged by TTB Holdings Company Ltd, a shareholder of SCSL in favour of SCSL ("Pledged Shares"). Pursuant to the exercise of the call rights, SCSL repurchased the Pledged Shares under the promissory note and loan agreement dated 12 September 2019, which resulted in an overall decrease of 2,115,488 ordinary shares in the share capital of SCSL. As a result, the equity interest in SCSL held by YVCPL has increased from 20% to 22.37%. The number of shares which YVCPL owns in SCSL remains unchanged at 3,994,052 ordinary shares.

(iv) Majes Sol. De Verano S.A.C.

On 26 June 2023, pursuant to the Stock Purchase Agreement dated 6 May 2022, YR Peru Limited ("YRPeru"), an indirect wholly-owned subsidiary of the Company, has made a milestone payment of USD0.3 million (RM1.2 million) in relation to the deferred contingent purchase consideration to Verano Energy SpA, previously the sole shareholder of Majes Sol. De Verano S.A.C. ("Majes"). The milestone payment does not result in any change in YRPeru's equity interest in Majes.

(v) Lift Ocean AS

On 30 June 2023, YVCPL has subscribed for additional 15,566 ordinary shares in Lift Ocean AS ("LOAS") at a price of NOK212 each for a total consideration of NOK3.3 million (RM1.5 million). The total consideration was paid partially in cash of NOK1.1 million (RM0.5 million) with the remainder of NOK2.2 million (RM1 million) settled through the conversion of the loan together with interest thereon owing by LOAS to YVCPL in accordance with the Loan Agreement dated 29 April 2023. As a result, YVCPL's equity interest in LOAS has increased to 24.82%.

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

There were no changes in the composition of the Group during the financial period ended 31 July 2023 except for: (continued)

(d) 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 NOK5 million (RM2.2 million).

On 11 July 2023, YVCPL has further subscribed for 55,872 new ordinary shares in Zeabuz for a total cash consideration of NOK5 million (RM2.2 million). As a result, YVCPL shareholding increased to 111,744 ordinary shares which represents 10.3% of the enlarged issued and paid-up share capital of Zeabuz.

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 Six Months Period Ended 31 July 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	5,084	1,290	6,374	36	7	379	6,796
Elimination	-	(283)	(283)	-	(5)	(377)	(665)
Net revenue	5,084	1,007	6,091	36	2	2	6,131
Results							
Segment results	711	581	1,292	(5)	(27)	(116)	1,144
Finance costs							(403)
Share of profit of joint ventures							3
Share of profit of associates							1
Income tax expense							(276)
Profit after tax							469

For the Six Months Period Ended 31 July 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	1,751	1,135	2,886	38	2	432	3,358
Elimination	-	(299)	(299)	-	(2)	(432)	(733)
Net revenue	1,751	836	2,587	38	-	-	2,625
Results							
Segment results	328	413	741	(2)	(10)	(39)	690
Finance costs							(244)
Share of loss of joint ventures							(2)
Share of loss of associates							(7)
Income tax expense							(135)
Profit after tax							302

6. Segment information (continued)

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, treasury services and advisory, investment and asset management.

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 RM3,504 million to RM6,091 million as compared to RM2,587 million in the corresponding financial period ended 31 July 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 acquisition of the entire equity interest in AFPS B.V. by Yinson Bouvardia Holdings Pte. Ltd., an indirect wholly-owned subsidiary of the Company, from Atlanta Field B.V. by way of exercising the call option granted pursuant to the Call Option Agreement dated 21 February 2022 was completed on 31 July 2023. This resulted in the recognition of additional revenue of RM422 million for FPSO Atlanta, with the gross margin remaining consistent before and after the exercise of the call option.

The higher contribution from EPCIC business activities related to FPSO Agogo and FPSO Atlanta was partially offset by lower contribution from FPSO Maria Quitéria and FPSO Anna Nery. FPSO Anna Nery achieved first oil on 7 May 2023.

The segment recorded higher results by RM551 million to RM1,292 million as compared to RM741 million in the corresponding financial period ended 31 July 2022, mainly arising from higher contribution from EPCIC business activities in the current financial period and fresh contribution from FPSO Anna Nery's operations since first oil was achieved on 7 May 2023.

Renewables

The segment has incurred a loss of RM5 million for the financial period under review as compared to a loss of RM2 million in the corresponding financial period ended 31 July 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 remained stable in the current financial period.

Green Technologies

The segment has incurred a loss of RM27 million for the financial period under review as compared to a loss of RM10 million in the corresponding financial period ended 31 July 2022. The higher loss in the current financial period was mainly due to higher operational overheads incurred to drive the future growth of the business segment.

6. Segment information (continued)

Other Operations

The segment has incurred a loss of RM116 million for the financial period under review as compared to a loss of RM39 million in the corresponding financial period ended 31 July 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 profit of RM4 million for the financial period under review as compared to share of loss of RM9 million for the corresponding financial period ended 31 July 2022. The profit was mainly contributed by the extension of charter contracts for FPSO PTSC Lam Son and FSO PTSC Bien Dong 01 and one-off effect of increase in shareholding for one of the Group's associates in the current financial period.

Consolidated profit after tax

The Group's profit after tax increased by RM167 million or 55% to RM469 million as compared to RM302 million for the corresponding financial period ended 31 July 2022. The increase was mainly due to the higher contribution from the Group's EPCIC business activities and fresh contribution from FPSO Anna Nery's operations since first oil was achieved on 7 May 2023, as deliberated in the "Offshore Production & Offshore Marine" section above, which were partially offset by the following:

- Increase in administrative expenses of RM101 million, mainly arising from higher operational overheads incurred to drive the future growth of the Group;
- Increase in finance costs of RM159 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 RM141 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 RM1,021 million to RM2,494 million from RM3,515 million for the last audited financial year ended 31 January 2023, mainly due to commencement of EPCIC business activities for FPSO Agogo where the associated contract asset is reclassified as non-current and lower cash position of RM1,191 million arising from higher project expenditure for EPCIC business activities and construction of the Nokh Solar Park in the current financial year.

The Group's current liabilities increased by RM841 million to RM4,431 million from RM3,590 million for the last audited financial year ended 31 January 2023 mainly arising from increased payables position to fund the 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.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 0.56 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, and is also in line with our prudent cash and working capital management policy.

Although the Group has available undrawn financing facilities of RM6,332 million as at 31 July 2023, there is 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.

6. **Segment information (continued)**

Consolidated financial position (continued)

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”) increased to 1.34 times in the current financial period as compared to 1.23 times in the last audited financial year ended 31 January 2023. The increase in the Group’s Net Gearing Ratio is primarily the result of the Group’s higher leverage on additional loans and borrowings drawn down to fund project execution needs, which was moderated by the Group’s enhanced total equity position of RM7,384 million.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3-month ended		Cumulative 6-month ended	
	31.7.2023 Unaudited RM million	**31.7.2022 Unaudited RM million**	**31.7.2023 Unaudited RM million**	**31.7.2022 Unaudited RM million**
Interest income	(11)	(8)	(23)	(14)
Other income including investment income	(44)	(4)	(50)	(5)
Finance costs	202	133	403	244
Depreciation of property, plant and equipment	68	70	133	140
Amortisation of intangible assets	16	14	30	27
Property, plant and equipment written off	-	-	-	1
Net gain on foreign exchange	(6)	(2)	(5)	(18)
Bad debts written off	-	-	-	1

8. Income Tax Expense

The income tax expense consists of:

	Current quarter 3-month ended		Cumulative 6-month ended	
	31.7.2023 Unaudited RM million	**31.7.2022 Unaudited RM million**	**31.7.2023 Unaudited RM million**	**31.7.2022 Unaudited RM million**
Current income tax	95	38	168	69
Deferred income tax	79	46	108	66
Total income tax expense	**174**	**84**	**276**	**135**

The effective tax rate for the current quarter ended 31 July 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 quarter 3-month ended		Cumulative 6-month ended	
	31.7.2023 Unaudited	31.7.2022 Unaudited Restated @	31.7.2023 Unaudited	31.7.2022 Unaudited Restated @
Net profit attributable to owners of the Company (RM million)	230	143	438	263
(Less): Distributions declared to holders of perpetual securities (RM million) @	(35)	(36)	(67)	(70)
Net profit attributable to ordinary equity shareholders of the Company (RM million)	195	107	371	193
Weighted average number of ordinary shares in issue ('000)	2,906,626	2,615,334	2,905,130	2,295,980
Basic earnings per share (sen)	6.7	4.1	12.8	8.4

(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 quarter 3-month ended		Cumulative 6-month ended	
	31.7.2023 Unaudited	31.7.2022 Unaudited Restated @	31.7.2023 Unaudited	31.7.2022 Unaudited Restated @
Net profit attributable to ordinary equity shareholders of the Company (RM million)	195	107	371	193
Weighted average number of ordinary shares in issue ('000)	2,906,626	2,615,334	2,905,130	2,295,980
Adjustments for ESS options & warrants ('000)	42,903	852	42,903	852
Adjusted weighted average number of ordinary shares in issue ('000)	2,949,529	2,616,186	2,948,033	2,296,832
Diluted earnings per share (sen)	6.6	4.1	12.6	8.4

9. Earnings Per Share (continued)

(c) Restatement of prior period earnings per share

@ 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 31 July 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 RM95 million (31 July 2022: RM221 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 10,243,785 new ordinary shares arising from the exercise of options under Employees' Share Scheme amounting to cash consideration of RM17 million; and

(b) The Company increased its issued and paid-up share capital by way of issuance of 48,994 new ordinary shares arising from the exercise of Warrants amounting to cash consideration of RM0.1 million.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 July 2023 and 31 July 2022 were as follows:

	As at 31 July 2023		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Sustainability-Linked Sukuk Wakalah	7	997	1,004
Term loans	1,146	7,986	9,132
Revolving credits	175	-	175
	1,328	8,983	10,311
Unsecured			
Term loans	-	500	500
Revolving credits	247	-	247
	247	500	747
Total loans and borrowings	**1,575**	**9,483**	**11,058**

	As at 31 July 2022		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Sustainability-Linked Sukuk Wakalah	7	996	1,003
Term loans	757	7,625	8,382
Revolving credits	135	-	135
	899	8,621	9,520
Unsecured			
Term loans	463	-	463
Revolving credits	38	-	38
	501	-	501
Total loans and borrowings	**1,400**	**8,621**	**10,021**

Except for the borrowings of RM9,109 million (31 July 2022: RM8,662 million) denominated in US Dollar and RM767 million (31 July 2022: RM300 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 31 July 2023, the capital commitments not provided for in the interim condensed financial statements was as follows:

- Approved and contracted for – RM115 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

USD300 million Financing in relation to FPSO Agogo

On 18 August 2023, Yinson Production Azalea Consortium Pte. Ltd. (the "Borrower"), an indirect wholly-owned subsidiary of the Company, secured a USD300 million term loan facility in relation to FPSO Agogo from a global investment firm, RRJ Capital.

This term loan facility is secured, bears fixed interest rate of 13.0% or 13.875% per annum subject to completion of agreed project milestones, and has an expected maturity period of 5 years.

18. Related Party Disclosures

Significant related party transactions were as follows:

	Current quarter 3-month ended		Cumulative 6-month ended	
	31.7.2023 RM million	31.7.2022 RM million	31.7.2023 RM million	31.7.2022 RM million
Related companies controlled by certain Directors:				
- purchase of vehicles	-	-	1	-
- service fee charges	-	-	1	-
Joint ventures				
- dividend income	18	-	35	49
Associates				
- loan	20	-	22	-
- interest income on loan	1	-	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 31.7.2023 RM million	Immediate Preceding Quarter 30.4.2023 RM million	Changes RM million	%
Revenue	3,113	3,018	95	3.1%
Direct expenses	(2,354)	(2,395)	41	-1.7%
Gross profit	759	623	136	21.8%
Other operating income	24	17	7	41.2%
Administrative expenses	(140)	(139)	(1)	0.7%
Profit from operations	643	501	142	28.3%
Finance costs	(202)	(201)	(1)	0.5%
Share of profit of joint ventures	3	-	3	-
Share of profit/(loss) of associates	5	(4)	9	-225.0%
Profit before tax	449	296	153	51.7%
Income tax expense	(174)	(102)	(72)	70.6%
Profit after tax	275	194	81	41.8%

For the quarter under review, the Group reported a higher revenue of RM3,113 million compared to Q1 FY24's revenue of RM3,018 million. The increase was mainly due to fresh contribution from FPSO Anna Nery's operations since first oil was achieved on 7 May 2023, which was partially offset by lower contribution from EPCIC business activities (based on progress of construction). The lower contribution from EPCIC business activities mainly arose from lower reported progress for FPSO Agogo and FPSO Maria Quitéria. The actual progress of our projects under construction is in line with the Group's expectations.

The Group's profit before tax for the second quarter of the current financial year increased by 52% or RM153 million to RM449 million as compared to RM296 million in the preceding quarter. The increase was mainly due to fresh contribution from FPSO Anna Nery's operations since first oil was achieved on 7 May 2023, which was partially offset by lower contribution from EPCIC business activities.

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 encourage 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 in the first half 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) Yinson Production-Sumitomo's FPSO Anna Nery Achieves First Oil

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

Yinson Production, through its joint venture company with PetroVietnam Technical Services Corporation ("PTSC"), PTSC South East Asia Pte. Ltd. ("PTSC SEA"), 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.

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

(c) Yinson Production Obtains Charter Contract Extension for FPSO PTSC Lam Son

Yinson Production, through its joint venture company with PetroVietnam Technical Services Corporation ("PTSC"), PTSC Asia Pacific Pte Ltd ("PTSC AP"), received a 12-month extension for the Bareboat Charter Contract for FPSO PTSC Lam Son, with further automatic extension of 6 months.

The addendum entered by PTSC and PTSC AP on 29 June 2023, sets an extension of charter period from 1 July 2023 to 30 June 2024, and further automatic extension until 31 December 2024.

The value of the Bareboat Charter Contract (including the automatic extension period) is estimated at USD27.3 million (RM127.9 million). PTSC AP is 49% and 51% owned by Yinson and PTSC respectively.

(d) 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")

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") 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 amount to be determined in accordance with the manner set out in the Call Option Agreement.

On 31 July 2023, YBHPL completed the acquisition of AFPS at the Purchase Consideration of approximately USD22.2 million (approximately RM99.1 million). The net cash outflow arising from the acquisition was USD17.2 million (approximately RM77.5 million), after deducting cash and cash equivalents held by AFPS of USD5 million (approximately RM22.5 million).

Pursuant to the above, AFPS became an indirect wholly-owned subsidiary of the Company on 31 July 2023.

(e) USD230 million Financing in relation to FPSO Maria Quitéria

On 31 July 2023, Yinson Bergenia Consortium Pte. Ltd. (the "Borrower"), an indirect wholly-owned subsidiary of the Company, secured a USD230 million term loan facility in relation to FPSO Maria Quitéria which was structured and arranged by Global Infrastructure Partners.

This term loan facility is secured, bears a fixed interest rate of 12% per annum, and has an expected maturity period of 6 years.

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 RM197 million) ("Claimed Amount").

24. Material Litigation (continued)

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") (continued)

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. The parties submitted the reconciled claim of Indian Rupee 3,487,400,000 (approximately RM193 million) to CERC in a hearing on 16 August 2023. CERC will on the basis of the reconciled claim determine the compensation to be paid to RSEK. A new hearing has been scheduled for 4 October 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 was approved by shareholders at the Annual General Meeting held on 13 July 2023. The dividend, which amounted to RM29 million, was paid on 30 August 2023.

In addition, the Board of Directors has declared an interim single-tier dividend of 2.0 sen per ordinary share for the financial year ending 31 January 2024, amounting to approximately RM58 million. The interim single-tier dividend entitlement date and payable date are 30 November 2023 and 15 December 2023 respectively.

26. Derivatives

Details of derivative financial instruments outstanding as at 31 July 2023 were as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets
	RM million	RM million
Interest rate swaps (Note (a))		
- Within 1 year	528	44
- More than 1 year	5,096	433
Foreign exchange forward contracts (Note (b))		
- Within 1 year	1,256	35

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 RM718 million that pay floating interest at 3 months US$ LIBOR;

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. (continued)

(a) Interest rate swaps (continued)

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: (continued)

ii. contracts amounting to RM2,799 million that pay floating interest at 3 months US$ LIBOR; and

iii. contracts amounting to RM2,107 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 31 July 2023, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM106 million.

(b) Foreign exchange forward contracts

The Group entered into forward contracts amounting to RM1,256 million to mitigate the Group's exposure from exchange rate movements on net assets in foreign operations where the functional currencies are not in Ringgit Malaysia.

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 29 September 2023.