



CONDENSED CONSOLIDATED INCOME STATEMENT
For The Twelve Months Year Ended 31 January 2019

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To date	Preceding Year Corresponding Period	Changes	
	31.1.2019 Unaudited RM'000	31.1.2018 Unaudited RM'000	(Amount / RM'000)	%	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000	(Amount / RM'000)	%
Revenue	287,601	257,394	30,207	11.7%	1,034,899	910,156	124,743	13.7%
Direct expenses	(129,829)	(96,550)	(33,279)	34.5%	(440,454)	(363,790)	(76,664)	21.1%
Gross profit	157,772	160,844	(3,072)	-1.9%	594,445	546,366	48,079	8.8%
Other operating income	(6,011)	2,624	(8,635)	-329.1%	50,593	14,956	35,637	238.3%
Administrative expenses	(8,478)	(30,791)	22,313	-72.5%	(128,427)	(135,821)	7,394	-5.4%
Profit from operations	143,283	132,677	10,606	8.0%	516,611	425,501	91,110	21.4%
Finance costs	(48,673)	(54,440)	5,767	-10.6%	(185,559)	(107,540)	(78,019)	72.5%
Share of profit/(loss) of joint ventures	1,082	(4,311)	5,393	-125.1%	12,659	43,081	(30,422)	-70.6%
Share of (loss)/profit of associates	(28)	(127)	99	-78.0%	150	728	(578)	-79.4%
Profit before tax	95,664	73,799	21,865	29.6%	343,861	361,770	(17,909)	-5.0%
Income tax expense	(24,028)	(16,801)	(7,227)	43.0%	(79,482)	(69,697)	(9,785)	14.0%
Profit for the period	71,636	56,998	14,638	25.7%	264,379	292,073	(27,694)	-9.5%
Profit attributable to:								
Owners of the Company	60,700	57,140	3,560	6.2%	234,896	292,179	(57,283)	-19.6%
Non-controlling interests	10,936	(142)	11,078	-7801.4%	29,483	(106)	29,589	-27914.2%
	71,636	56,998	14,638	25.7%	264,379	292,073	(27,694)	-9.5%
Earnings per share attributable to owners of the Company:								
Basic (sen)	5.54	5.31	0.23	4.3%	21.43	26.85	(5.42)	-20.2%
Diluted (sen)	5.52	5.30	0.22	4.1%	21.34	26.79	(5.45)	-20.3%

These 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 Twelve Months Year Ended 31 January 2019

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To date	Preceding Year Corresponding Period	Changes	
	31.1.2019 Unaudited RM'000	31.1.2018 Unaudited RM'000	(Amount / %) RM'000	%	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000	(Amount / %) RM'000	%
Profit for the period	71,636	56,998	14,638	25.7%	264,379	292,073	(27,694)	-9.5%
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	(71,945)	(221,964)	150,019	-67.6%	134,300	(313,150)	447,450	-142.9%
- Cash flows hedge reserve	(54,525)	64,625	(119,150)	-184.4%	6,722	55,869	(49,147)	-88.0%
Total comprehensive (loss)/income for the period	(54,834)	(100,341)	45,507	-45.4%	405,401	34,792	370,609	1065.2%
Total comprehensive (loss)/income for the period attributable to:								
Owners of the Company	(45,956)	(100,199)	54,243	-54.1%	371,660	34,898	336,762	965.0%
Non-controlling interests	(8,878)	(142)	(8,736)	6152.1%	33,741	(106)	33,847	-31931.1%
	(54,834)	(100,341)	45,507	-45.4%	405,401	34,792	370,609	1065.2%

These 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 January 2019**

	AS AT 31.1.2019 Unaudited RM'000	AS AT 31.1.2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,298,201	4,535,241
Investment properties	20,107	24,308
Intangible assets	401,468	23,660
Investment in joint ventures	483,040	594,943
Investment in associates	1,718	1,949
Other receivables	-	6,497
Other assets	14,754	15,165
Finance lease receivables	15,169	14,289
	6,234,457	5,216,052
Current assets		
Inventories	9,926	4,378
Trade and other receivables	282,101	331,340
Amount due from joint ventures	147,095	37,326
Amount due from associates	-	374
Other assets	115,151	137,570
Finance lease receivables	468	343
Tax recoverable	3,703	4,375
Derivatives	893	1,640
Other investment	72,226	79,901
Cash and bank balances	1,217,279	637,120
	1,848,842	1,234,367
TOTAL ASSETS	8,083,299	6,450,419

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 31 January 2019**

	AS AT 31.1.2019 Unaudited RM'000	AS AT 31.1.2018 Audited RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	1,101,090	1,099,490
Treasury shares	(43,824)	(12,633)
Foreign currency translation reserve	160,617	34,351
Cash flows hedge reserve	(35,664)	(46,162)
Capital reserve	-	96,690
Share-based option reserve	2,140	1,962
Put option reserve	(455,725)	-
Retained earnings	1,016,783	826,703
Equity attributable to owners of the Company	1,745,417	2,000,401
Perpetual securities issued by subsidiaries	1,575,885	632,162
Non-controlling interests	302,680	595
Total equity	3,623,982	2,633,158
Non-current liabilities		
Loans and borrowings	2,748,368	2,647,066
Other payables	355,344	361,783
Unfavourable contracts	-	4,670
Derivatives	36,358	42,349
Deferred tax liabilities	546	42
	3,140,616	3,055,910
Current liabilities		
Loans and borrowings	372,959	363,092
Trade and other payables	399,618	326,601
Amount due to joint ventures	8,528	4,436
Amount due to associates	-	595
Dividend payable	77	61
Unfavourable contracts	4,906	18,713
Derivatives	3,082	3,813
Put option liability	455,725	-
Tax payables	73,806	44,040
	1,318,701	761,351
Total liabilities	4,459,317	3,817,261
TOTAL EQUITY AND LIABILITIES	8,083,299	6,450,419
Net assets per share attributable to owners of the Company (RM)	1.60	1.83

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Twelve Months Year Ended 31 January 2019

	Attributable to owners of the Company								Total equity attributable to owners of the Company RM'000	Perpetual securities of subsidiaries RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Cash flows hedge reserve RM'000	Share-based option reserve RM'000	Capital reserve RM'000	Put option reserve RM'000	Retained earnings RM'000				
At 1 February 2017	1,099,462	(12,633)	347,501	(102,031)	304	-	-	636,110	1,968,713	437,460	-	2,406,173
Total comprehensive (loss)/income for the year	-	-	(313,150)	55,869	-	-	-	292,179	34,898	-	(106)	34,792
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	96,690	-	-	96,690	-	701	97,391
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(34,494)	(34,494)	-	-	(34,494)
Issue of perpetual securities by a subsidiary	-	-	-	-	-	-	-	-	-	413,902	-	413,902
Redemption of perpetual securities by a subsidiary	-	-	-	-	-	-	-	(1,801)	(1,801)	(219,200)	-	(221,001)
Exercise of ESS	28	-	-	-	-	-	-	-	28	-	-	28
Issuance of ESS	-	-	-	-	1,658	-	-	-	1,658	-	-	1,658
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(65,291)	(65,291)	-	-	(65,291)
At 31 January 2018 (Audited)	1,099,490	(12,633)	34,351	(46,162)	1,962	96,690	-	826,703	2,000,401	632,162	595	2,633,158
At 1 February 2018	1,099,490	(12,633)	34,351	(46,162)	1,962	96,690	-	826,703	2,000,401	632,162	595	2,633,158
Impacts arising from application of MFRS 9 (Note 27)	-	-	-	-	-	-	-	(18,526)	(18,526)	-	-	(18,526)
At 1 February 2018 (Restated)	1,099,490	(12,633)	34,351	(46,162)	1,962	96,690	-	808,177	1,981,875	632,162	595	2,614,632
Total comprehensive income for the year	-	-	126,266	10,498	-	-	-	234,896	371,660	-	33,741	405,401
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	(93,683)	(93,683)	-	-	(93,683)
Issue of perpetual securities by a subsidiary	-	-	-	-	-	-	-	-	-	943,723	-	943,723
Effect of changes in shareholding in subsidiaries	-	-	-	-	-	-	(455,725)	175,861	(279,864)	-	291,505	11,641
Exercise of ESS	1,600	-	-	-	-	-	-	-	1,600	-	-	1,600
Issuance of ESS	-	-	-	-	178	-	-	-	178	-	-	178
Cash dividends to owners of the Company	-	-	-	-	-	-	-	(108,468)	(108,468)	-	-	(108,468)
Cash dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(23,161)	(23,161)
Purchase of treasury shares	-	(31,191)	-	-	-	-	-	-	(31,191)	-	-	(31,191)
Redemption of convertible notes instrument by a subsidiary	-	-	-	-	-	(96,690)	-	-	(96,690)	-	-	(96,690)
At 31 January 2019 (Unaudited)	1,101,090	(43,824)	160,617	(35,664)	2,140	-	(455,725)	1,016,783	1,745,417	1,575,885	302,680	3,623,982

These condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Twelve Months Year Ended 31 January 2019

	Cumulative Period	
	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000
OPERATING ACTIVITIES		
Profit before tax	343,861	361,770
Adjustments for:		
Amortisation and depreciation	284,549	224,302
Amortisation of unfavourable contracts	(19,436)	(20,435)
Fair value loss on investment properties	4,200	5,623
Finance costs	184,812	109,606
Gain on disposal on other investments	(125)	(433)
Gain on disposal of associates companies	(21)	-
Impairment loss on property, plant and equipment	33,030	32,793
Impairment/(reversal of) loss on trade and other receivables	1,088	(649)
Impairment loss on advances to a joint venture	3,478	-
Impairment loss on investment in a joint venture	12,892	-
Impairment loss on tax recoverable	3,686	-
Interest income	(17,817)	(4,905)
Loss/(gain) on disposal of property, plant and equipment	5	(124)
Net fair value loss/(gain) on derivatives	747	(2,066)
Net fair value loss/(gain) on other investments	1,158	(141)
Property, plant and equipment written off	-	37
Inventories written off	-	1,067
Share of profit of associates	(150)	(728)
Share of profit of joint ventures	(12,659)	(43,081)
Unrealised (gain)/loss on foreign exchange	(22,668)	62,403
Operating cash flows before working capital changes	800,630	725,039
Receivables	121,177	(306,302)
Other current assets	(104,166)	(90,663)
Inventories	(5,549)	629
Payables	(77,743)	337,969
Cash flows from operations	734,349	666,672
Interest received	17,817	4,905
Interest paid	(177,865)	(118,297)
Tax paid	(53,963)	(56,094)
Net cash flows generated from operating activities	520,338	497,186
INVESTING ACTIVITIES		
Dividend received from joint ventures	59,631	20,046
Proceeds from capital reduction of a joint venture	80,919	-
Investment in subsidiaries	834	(34,191)
Investment in joint ventures	-	(36,600)
Investment in associates	-	(113)
Placement of short term investment	(10)	(11)
Proceeds from disposal of other investments	30,492	11,236
Proceeds from disposal of property, plant and equipment	649	161
Proceeds from disposal of shareholdings in a subsidiary	415,786	-
Purchase of intangible assets	(382,587)	(2,644)
Purchase of property, plant and equipment	(819,175)	(443,489)
Purchase of other investments	(20,000)	(66,169)
Placement of fixed deposits pledged as security	(131,079)	(239,509)
Net cash flows used in investing activities	(764,540)	(791,283)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Twelve Months Year Ended 31 January 2019

	Cumulative Period	
	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000
FINANCING ACTIVITIES		
Advances from directors	-	440
Dividends paid to owners of the Company	(108,468)	(65,269)
Dividends paid to non-controlling interests	(23,161)	-
Drawdown of loans and borrowings	789,352	652,520
Drawdown/(repayment) of obligations under finance leases	874	(383)
Perpetual securities distribution paid	(78,064)	(30,652)
Proceeds from equity-settled share-based options	1,600	28
Proceeds from issuance of perpetual securities	943,723	413,902
Purchase of treasury shares	(31,191)	-
Repayment of loans and borrowings	(825,967)	(661,200)
Repayment of perpetual securities	-	(219,200)
Net cash flows generated from financing activities	668,698	90,186
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	424,496	(203,911)
Effects of foreign exchange rate changes	7,683	(9,375)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	291,295	504,581
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	723,474	291,295
	As at 31.1.2019 Unaudited RM'000	As at 31.1.2018 Audited RM'000
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	1,217,279	637,120
Short term investment	(361)	(348)
Deposits pledged to banks	(493,444)	(280,525)
Bank balance in Escrow account	-	(64,952)
	723,474	291,295

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

1. Basis of Preparation

This unaudited condensed consolidated interim financial statements (Condensed Report) of Yinson Holdings Berhad (the "Group" or "YHB") for the financial year ended 31 January 2019 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 2018. 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 2018 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 February 2018.

- Annual Improvements to MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards"
- Amendments to MFRS 2 "Classification and Measurement of Share-based Payment Transactions"
- Annual Improvements to MFRS 128 "Investments in Associates and Joint Ventures"
- Amendments to MFRS 140 "Clarification on 'Change in Use' - Assets transferred to or from Investment Properties"
- IC Interpretation 22 "Foreign Currency Transactions and Advance Consideration"
- MFRS 9 "Financial Instruments"
- MFRS 15 "Revenue from Contracts with Customer"

The adoption of the above amendments to published standards does not have any material impact to the Group, other than MFRS 9 as disclosed in Note 27.

There is no material impact on adoption of MFRS 15 as significant portion of the Group's revenue source is governed under MFRS 117 "Leases".

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.

a) Effective for financial periods beginning on or after 1 February 2019

- Annual Improvements to MFRS Standards 2015 – 2017 Cycle
 - MFRS 3 "Business Combinations"
 - MFRS 11 "Joint Arrangements"
 - MFRS 112 "Income Taxes"
 - MFRS 123 "Borrowing Costs"
- Amendments to MFRS 9 "Prepayment Features with Negative Compensation"
- Amendments to MFRS 128 "Long-term Interests in Associates and Joint Ventures"
- MFRS 16 "Leases"
- IC Interpretation 23 "Uncertainty over Income Tax Treatments"

1. Basis of Preparation (continued)

MFRSs and Amendments to MFRSs issued but not yet effective (continued)

b) Effective for financial periods beginning on or after 1 February 2020

- Amendments to MFRS 2 “Share-based Payment”
- Amendments to MFRS 3 “Business Combinations”
- Amendments to MFRS 101 “Presentation of Financial Statements”
- Amendments to MFRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors”
- Amendments to MFRS 134 “Interim Financial Reporting”
- Amendments to MFRS 137 “Provisions, Contingent Liabilities and Contingent Assets”
- Amendments to MFRS 138 “Intangible Assets”

The Directors expect that the adoption of the above standards and interpretations will either not be relevant or do not have material impact on the financial statements in the year of initial application.

2. Seasonal or Cyclical Factors

The Group’s operations were generally not affected by any material seasonal or cyclical factors.

3. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year ended 31 January 2019 except for an indirect wholly-owned subsidiary, Knock Allan Pte Ltd (“Knock Allan”) was served a Notice of Termination on 8 October 2018 for its contract with CNR International (Olowi) Limited (“CNR”) on the ground of convenience. The Notice of Termination entails payment of an early termination payment by CNR, which obligation to make early termination payment has been confirmed by CNR in the Notice of Termination.

On 28 February 2019, Yinson Nepeta Production Ltd (“YNPL”, an indirect wholly-owned subsidiary of the Company incorporated in the Republic of Marshall Islands), Yinson Operations & Production West Africa Limited (“YOPWAL”, an indirect subsidiary of the Company incorporated in the Federal Republic of Nigeria) and First Exploration & Petroleum Development Company Limited (“First E&P”) executed a contract for the bareboat charter (“Bareboat Charter Contract”) for the provision of a floating production storage and offloading facility to be named Abigail-Joseph (“FPSO”) for use at the Anyala & Madu Fields (“Fields”) under Oil Mining Leases 83 & 85, offshore the Federal Republic of Nigeria.

FPSO Allan of Knock Allan would be redeployed for the contract with First E&P.

4. Changes in Accounting Estimate

There were no material changes in accounting estimates during the financial year under review that would have a material effect that would substantially affect the results of the Group.

5. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 January 2019 except for:

(i) Incorporation of subsidiaries

Name of subsidiaries	Date of incorporation	Countries of incorporation	Proportion of ownership interest (%)	Principal activities
Yinson Ghacacia Ltd	2 March 2018	Republic of the Marshall Islands	100.00	Investment holding
Yinson Gazania Production Ltd	2 March 2018	Republic of the Marshall Islands	94.90	Provision of floating marine assets for chartering
Yinson Lavender Operations Sdn Bhd	30 March 2018	Malaysia	100.00	Operating and maintaining floating production storage and offloading vessels and other offshore facilities for the production of offshore oil and gas fields
Yinson Nepeta Holdings Ltd	16 May 2018	Republic of the Marshall Islands	100.00	Investment holding
Yinson Nepeta Production Ltd	16 May 2018	Republic of the Marshall Islands	100.00	Provision of floating marine assets for chartering
Yinson Boronia Holdings (S) Pte Ltd	3 August 2018	Singapore	100.00	Investment holding
Yinson Malva Production Pte Ltd	17 August 2018	Singapore	100.00	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Malva Operations, S.A. DE C.V.	21 August 2018	Mexico	100.00	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Yinson Offshore Services Limited	19 October 2018	Federal Territory of Labuan, Malaysia	100.00	Investment holding
Yinson Offshore Marine Limited	23 October 2018	Federal Territory of Labuan, Malaysia	100.00	Investment holding
Yinson Boronia Consortium Pte Ltd	11 January 2019	Singapore	100.00	Investment holding
Yinson Boronia Production (S) Pte Ltd	11 January 2019	Singapore	100.00	Provision of floating marine assets for chartering

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

There were no changes in the composition of the Group during the financial year ended 31 January 2019 except for (continued):

(ii) Changes in shareholdings

On 6 June 2018, following the completion of the disposal of 26% equity interest of Yinson Production (West Africa) Pte Ltd (“YPWAPL”) to a consortium of Japanese companies, the Group’s effective equity interest in YPWAPL has reduced from 100% to 74%.

6. Segmental Information

For the Twelve Months Year Ended 31 January 2019

	Offshore & Marine RM'000	Other Operations RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
Gross revenue	1,168,786	517,110	-	1,685,896
Elimination	(148,065)	(502,932)	-	(650,997)
Net revenue	1,020,721	14,178	-	1,034,899
Results				
Segment results	520,553	(3,942)	-	516,611
Finance costs				(185,559)
Share of profit of joint ventures				12,659
Share of profit of associates				150
Income tax expense				(79,482)
Profit after tax				264,379

For the Twelve Months Year Ended 31 January 2018

	Offshore & Marine RM'000	Other Operations RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
Gross revenue	1,021,256	184,435	-	1,205,691
Elimination	(112,110)	(183,425)	-	(295,535)
Net revenue	909,146	1,010	-	910,156
Results				
Segment results	488,605	(63,104)	-	425,501
Finance costs				(107,540)
Share of profit of joint ventures				43,081
Share of profit of associates				728
Income tax expense				(69,697)
Profit after tax				292,073

6. Segmental Information (continued)

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

- a) Offshore & marine segment consists of leasing of vessels and marine related services.
- b) Other operations mainly consist of investment, 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.

Offshore & Marine

Revenue from offshore & marine segment for the financial year under review has increased by RM111.57 million to RM1,020.72 million as compared to RM909.15 million in the corresponding financial year ended 31 January 2018. The increase mainly due to the effect of full year bareboat chartering contribution from FPSO John Agyekum Kufuor ("FPSO JAK") as opposed to previous corresponding financial year contribution commenced in June 2017. The segment results increased by RM31.95 million mainly due to higher recorded revenue but set-off by higher impairment loss on trade and other receivables, impairment loss on tax recoverable and net unfavorable foreign exchange movement.

Other Operations

The segment loss of other operations is lower at RM3.94 million with an improvement of RM59.16 million as compared to loss of RM63.10 million in the corresponding financial year ended 31 January 2018. The improvement was mainly driven by net favorable foreign exchange movement and lower fair value loss on investment properties but set-off by higher administrative overheads and impairment loss on investment in a joint venture.

Results of Joint Ventures and Associates

The share of the results of joint ventures has decreased by RM30.42 million to profit of RM12.66 million for the financial year ended 31 January 2019 as compared to RM43.08 million for the corresponding financial year ended 31 January 2018 mainly due to comparatively lower scheduled contract chartering rate for FSO PTSC Bien Dong 01 and lower chartering rate from the interim contract entered for continue deployment of FPSO PTSC Lam Son.

The share of results of associates has decreased by RM0.58 million to profit of RM0.15 million for the financial year ended 31 January 2019 as compared to profit of RM0.73 million for the financial year ended 31 January 2018 mainly due to the absence of share of results upon an associated company reclassification as the Company's subsidiary since June 2017.

Consolidated profit after tax

For the current financial year under review, the Group's profit after tax has decreased by RM27.69 million or 9.48% to RM264.38 million as compared to RM292.07 million for the corresponding financial year ended 31 January 2018. The decrease was mainly attributable to higher impairment loss on trade and receivables of RM1.74 million, impairment loss on tax recoverable of RM3.69 million, higher depreciation and amortisation of RM60.25 million, impairment loss on investment in a joint venture of RM12.89 million, lower share of results in joint ventures of RM30.42 million, higher finance cost of RM78.02 million and higher tax expenses of RM9.79 million. The reduction is set-off by profit on higher recorded revenue, lower administrative overheads of RM24.48 million, net favorable foreign exchange movement of RM42.01 million and higher interest income of RM12.91 million.

Should the results not be affected by impairment loss on property, plant & equipment and impairment loss on investment in a joint venture, the Group's profit after tax for the current financial year under review would be RM310.30 million as compared to RM324.87 million for the corresponding financial year ended 31 January 2018.

6. Segmental Information (continued)

Consolidated financial position

For the current financial year under review, the Group's current assets has increased by RM614.47 million or 49.78% to RM1,848.84 million from RM1,234.37 million for the last audited financial year ended 31 January 2018. The increase mainly due to the issuance of a RM950 million Sukuk Mudharabah Programme in May 2018 and proceeds from the 26% equity interest disposal in a subsidiary. Whereas, the Group's current liabilities has increased by RM557.35 million or 73.21% to RM1,318.70 million from RM761.35 million for the last audited financial year ended 31 January 2018 mainly due to the higher payables position incurred to undertake new FPSO vessel conversion, recognition of put option liability arising from the disposal of 26% equity interest in a subsidiary and effect of higher loans and borrowings.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 1.40 times as compared to 1.62 times for the last audited financial year ended 31 January 2018. The decrease is in accordance to the deliberation on the movement of the Group's current assets and current liabilities; and Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances" divided by "Total Equity") is 0.53 times as compared to 0.90 times for the last audited financial year ended 31 January 2018, improvement mainly attributed to higher cash and bank balances and equity enhancement effect from the issuance of Sukuk Mudharabah Programme in May 2018.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2019 Unaudited RM'000	31.1.2018 Unaudited RM'000	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000
Interest income	(7,747)	(1,509)	(17,817)	(4,905)
Other income including investment income	(2,417)	859	(2,887)	(8,460)
Finance costs	47,883	55,563	184,812	109,606
Depreciation of property, plant and equipment	73,486	63,422	279,047	219,472
Amortisation of intangible assets	1,334	1,853	5,502	4,830
Amortisation of unfavourable contracts	(4,990)	(4,878)	(19,436)	(20,435)
(Gain)/loss on disposal on property, plant and equipment	(250)	-	5	(124)
Gain on disposal on other investment	(2)	(18)	(125)	(433)
Impairment /(reversal of) loss on trade and other receivables	1,088	10	1,088	(649)
Impairment loss on investment in a joint venture	12,892	-	12,892	-
Impairment loss on advances to a joint venture	3,478	-	3,478	-
Impairment loss on tax recoverable	3,686	-	3,686	-
(Reversal of)/impairment loss on property, plant and equipment	(38,767)	6,648	33,030	32,793
Fair value loss on investment properties	-	2,700	4,200	5,623
Property, plant and equipment written off	-	2	-	37
Net loss/(gain) on foreign exchange	16,549	(3,384)	(28,723)	13,289
Net fair value (gain)/loss on other investment	(246)	(5)	1,158	(141)
Net fair value loss/(gain) on derivatives	791	(1,123)	747	(2,066)
Inventories written off	-	1,067	-	1,067
Gain on disposal of associates companies	(21)	-	(21)	-

8. Income Tax Expense

The income tax expense figures consist of:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2019 Unaudited RM'000	31.1.2018 Unaudited RM'000	31.1.2019 Unaudited RM'000	31.1.2018 Audited RM'000
Current income tax	23,530	22,007	78,984	74,911
Deferred income tax	498	(5,206)	498	(5,214)
Total income tax expense	24,028	16,801	79,482	69,697

The effective tax rate for the current quarter ended 31 January 2019 is higher than the statutory tax rate in Malaysia due to certain expenses not deductible for tax.

For the financial year ended 31 January 2019, the effective tax rate is lower than the statutory tax rate in Malaysia due to certain income of subsidiaries are not subject to tax or subject to lower tax rates.

9. Earnings Per Share

(a) Basic

Basic earnings per share amount are calculated by dividing the profit for the current and cumulative quarter of the financial years, net of tax, attributable to owners of the Company by the weighted average number of shares outstanding during the financial year.

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

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2019 Unaudited	31.1.2018 Unaudited	31.1.2019 Unaudited	31.1.2018 Audited
Profit net of tax attributable to owners of the Company used in the computation of EPS (RM'000)	60,700	57,140	234,896	292,179
Weighted average number of ordinary shares in issue ('000)	1,094,800	1,076,363	1,095,957	1,088,201
Basic earnings per share (sen)	5.54	5.31	21.43	26.85

9. Earnings Per Share (continued)

(b) Diluted

Diluted earnings per share are calculated by dividing the Group's profit for the financial year attributable to owners of the Company (adjusted for interest income, net of tax, earned on the proceeds arising from the conversion of the Employee Share Scheme ("ESS") options) ("Adjusted profit") by the weighted average number of ordinary shares as adjusted for the basic EPS and includes all potential dilutive shares arising from the ESS options granted by the reporting date, as if the options had been exercised on the first day of the financial year or the date of the grant, if later.

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2019 Unaudited	31.1.2018 Unaudited	31.1.2019 Unaudited	31.1.2018 Audited
Adjusted profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	60,921	57,217	235,782	292,491
Weighted average number of ordinary shares in issue ('000)	1,094,800	1,076,363	1,095,957	1,088,201
Adjustments for ESS ('000)	8,969	3,790	8,969	3,790
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,103,769	1,080,153	1,104,926	1,091,991
Diluted earnings per share (sen)	5.52	5.30	21.34	26.79

10. Acquisitions and disposals of property, plant and equipment

There was no material acquisition and disposal during the current financial year under review except for the Group acquired property, plant & equipment ("PPE") with aggregate cost of RM851.15 million (31 January 2018: RM505.32 million).

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 marketable securities were measured using Level 1 method of hierarchy and interest rate swap were measured by using Level 2 method in the hierarchy in determining their fair value.

12. Debt and Equity Securities

Save as disclosed below, there were no issuances, repayment of debts, share cancellations and resale of treasury shares during the current financial year under review.

- (a) The Company increased its issued and paid-up share capital by way of issuance of 437,433 new ordinary shares arising from the exercise of options under Employees' Share Scheme; and
- (b) The Company repurchased 7,318,500 of its issued shares from open market on Bursa Malaysia Securities Berhad.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 January 2019 and 31 January 2018 are as follows:

	As at 31 January 2019		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
Term loans	201,746	2,747,342	2,949,088
Obligations under finance lease	349	1,026	1,375
Revolving credits	410	-	410
	202,505	2,748,368	2,950,873
Unsecured			
Revolving credits	170,454	-	170,454
	170,454	-	170,454
Total loans and borrowings	372,959	2,748,368	3,121,327

	As at 31 January 2018		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
Term loans	226,392	2,495,793	2,722,185
Sukuk Murabahah	71,222	151,108	222,330
Obligations under finance lease	335	165	500
Revolving credits	21,433	-	21,433
	319,382	2,647,066	2,966,448
Unsecured			
Revolving credits	43,710	-	43,710
	43,710	-	43,710
Total loans and borrowings	363,092	2,647,066	3,010,158

Except for the borrowings of RM3,076.45 million (31 January 2018: RM2,723.36 million) denominated in US Dollar, all other borrowings are denominated in Ringgit Malaysia.

Higher outstanding total loans and borrowings is mainly due additional term loan drawdown for the construction of FPSO Helang during the financial year under review.

14. Dividend Paid

Dividend approved and paid in respect of ordinary shares:

	As at 31 January 2019		As at 31 January 2018	
	Dividend per share Sen	Amount of single-tier dividend RM'000	Dividend per share Sen	Amount of single-tier dividend RM'000
The Company				
Interim dividend in respect of the financial year ended: - 31 January 2019	4.0	43,311	-	-
Final dividend in respect of the financial year ended: - 31 January 2018	2.0	21,705	-	-
Special dividend in respect of the financial year ended: - 31 January 2018	4.0	43,452	-	-
Interim dividend in respect of the financial year ended: - 31 January 2018	-	-	4.0	43,527
Final dividend in respect of the financial year ended: - 31 January 2017	-	-	2.0	21,764
Dividends recognised as distribution to ordinary equity holders of the Company	10.0	108,468	6.0	65,291

15. Capital Commitments

As at 31 January 2019, the capital commitment not provided for in the interim condensed financial statements is as follows:

- approved and contracted for – RM485.98 million
- approved but not contracted for – RM255.74 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. Event After the Reporting Date

Contract award for Anyala & Madu Field under Oil Mining Leases 83 & 85, offshore the Federal Republic of Nigeria. ("Contract")

Yinson Nepeta Production Ltd ("YNPL", an indirect wholly-owned subsidiary of the Company incorporated in the Republic of Marshall Islands), YOPWAL an indirect subsidiary of the Company incorporated in the Federal Republic of Nigeria, and First Exploration & Petroleum Development Company Limited ("FIRST E&P") had on 28 February 2019 executed a contract for the bareboat charter ("Bareboat Charter Contract") for the provision of a floating production storage and offloading facility to be named Abigail-Joseph ("FPSO"). YOPWAL had also on the even date, entered into a contract for the operations and maintenance of the FPSO with FIRST E&P ("O&M Contract").

The primary term of the charter under the Bareboat Charter Contract and O&M Contract is 7 years each from the issuance date of the certificate of first oil under the Bareboat Charter Contract. FIRST E&P shall be entitled to extend such primary term by one extension period of 24 months and up to 6 further extension periods of 12 months each under the terms and conditions set out in the respective Contract ("Extension Options"). The cumulative duration of the primary term and extension terms of each Contract shall not exceed in aggregate of 15 years.

17. Event After the Reporting Date (continued)

The estimated aggregate value of the Contracts, assuming the Extension Options are fully exercised, is approximately USD901.79 million (equivalent to approximately RM3.67 billion) comprising Bareboat Charter Contract of USD617.09 million and O&M Contract of USD284.70 million and the FPSO is expected to commence operations at the Fields by the fourth quarter of 2019.

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2019 RM'000 Unaudited	31.1.2018 RM'000 Unaudited	31.1.2019 RM'000 Unaudited	31.1.2018 RM'000 Audited
<u>With companies controlled by Directors</u>				
Rental income from Kargo Indera Sdn Bhd	-	34	56	79
Management fee income from Liannex Corporation (S) Pte Ltd	-	-	-	750
Ship Management Fee from Liannex Corporation (S) Pte Ltd	-	64	-	240
Purchases on behalf of Liannex Corporation (S) Pte Ltd	-	49	-	278
Service Fee income from King Kong Creative Media Sdn Bhd	5	-	11	-
Service Fee income from Yinson Capital Sdn Bhd	20	-	46	-
Service Fee income from Manja Studios Sdn Bhd	5	-	11	-
Service Fee income from Liannex Enterprise Sdn Bhd	20	-	46	-
<u>With Joint Ventures</u>				
Interest income from PTSC South East Asia Pte Ltd	-	34	-	1,127
Interest income from PTSC Asia Pacific Pte Ltd	-	-	-	12
Dividend income from PTSC South East Asia Pte Ltd	-	20,046	30,101	20,046
Dividend income from PTSC Asia Pacific Pte Ltd	-	-	29,530	-
<u>With Associates</u>				
Ship management fee to Regulus Offshore Sdn Bhd	-	-	-	848
Purchase from Regulus Offshore Sdn Bhd	-	-	-	2,044
Rental income from Yinson Energy Sdn Bhd	-	16	11	71
Management fee income from Yinson Ghazania Operations Ltd	-	-	9	-
Management fee income from Regulus Offshore Sdn Bhd	-	-	-	10
Interest income from Regulus Offshore Sdn Bhd	-	-	-	28
Marine chartering income from Regulus Offshore Sdn Bhd	-	-	-	3,241
Consultancy fee to Yinson Energy Sdn Bhd	-	893	439	2,699
Interest income from Yinson Energy Sdn Bhd	-	6	4	22

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that have been mutually agreed.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

19. Performance Review

Explanatory comment on the performance of the Group's business activities is provided in Note 6.

20. Material Changes in the Profit Before Taxation of Current Quarter Compared with Preceding Quarter

	Current quarter	Immediate Preceding Quarter		
	31.1.2019	31.10.2018	Changes	
	RM'000	RM'000	(Amount / %)	
Revenue	287,601	265,576	22,025	8.29%
Direct expenses	(129,829)	(104,322)	(25,507)	24.45%
Gross profit	157,772	161,254	(3,482)	-2.16%
Other operating income	(6,011)	36,395	(42,406)	-116.52%
Administrative expenses	(8,478)	(88,870)	80,392	-90.46%
Profit from operations	143,283	108,779	34,504	31.72%
Finance costs	(48,673)	(43,554)	(5,119)	11.75%
Share of profit of joint ventures	1,082	5,720	(4,638)	-81.08%
Share of profit of associates	(28)	336	(364)	-108.33%
Profit before tax	95,664	71,281	24,383	34.21%
Income tax expense	(24,028)	(19,465)	(4,563)	23.44%
Profit after tax	71,636	51,816	19,820	38.25%

The Group's profit before tax for the fourth quarter of current financial year has improved by 34.21% or RM24.38 million to RM95.66 million as compared to the RM71.28 million in the preceding quarter. The increase was mainly attributable to profit on higher recorded revenue, absence of fair value loss on investment properties of RM3.50 million and net reversal effect on impairment loss on property, plant & equipment of RM104.63 million, set-off mainly by impairment loss on trade and other receivables of RM1.09 million, impairment loss on tax recoverable of RM3.69 million, net unfavorable forex movement of RM48.52 million and impairment loss on investment in a joint venture of RM12.89 million.

21. Commentary on Prospects

The short-term to medium-term outlook in the oil and gas industry remains challenging and uncertain due to emerging new alternative energy resources and financial institutions risk appetite towards the sector. Overall current global economic is exposed to the risk of increasing trade protectionism, geopolitical conditions uncertainty, with higher downside risks. Tendency to uphold the unprecedented easing of monetary conditions in major economies to encourage businesses has growth uncertain with the Federal Reserve of United States soften its stands in adopting gradual incremental policy on interest rate indirectly resulted from on-going global trade disputes. Nevertheless, the lagging investment for the industry in the past years could promote the increase in demand to replenish the depleting global production capacity as reflected through higher bidding activities in the FPSO market recently.

Amid the challenging global economic environment and the volatility of other currencies against US Dollar, the Group shall strive to achieve satisfactory results for the next financial year ending 31 January 2020.

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) Contract award for Ca Rong Do Field development – Block 07/03 Offshore Vietnam (“Contract”)

On 25 March 2018, PTSC Ca Rong Do Ltd (“PTSC CRD”), a joint venture company owned by Yinson Clover Ltd (“YCL”) and PetroVietnam Technical Services Corporation (“PTSC”) (each holding 49% and 51% respectively in PTSC CRD) had received a notice (“Notice”) from PTSC under the Bareboat Charter Contract.

In the Notice, PTSC informed that on 24 March 2018, PTSC has been notified by Talisman Vietnam 07/03 B.V. (“TLV”) of a force majeure event under the Contract where TLV has been directed by Government of Vietnam not to carry out scheduled work program for CRD Project.

The Contract is a time charter contract comprising the bareboat scope of work (“Bareboat SOW”) and operation and maintenance of the FPSO.

YCL, an indirect wholly-owned subsidiary of YHB had on 26 April 2017 entered into the Contract with TLV for CRD Project. As a requirement under the bid for the Contract, YCL had also on even date entered into a novation agreement with TLV and PTSC for the novation of all rights and liabilities under the Contract to PTSC.

PTSC CRD was incorporated on 5 December 2017 to jointly undertake the execution and performance of the Bareboat SOW.

YHB, together with PTSC will jointly discuss with TLV for next course of action pursuant to the force majeure event. Pending resolution of this matter, and in compliance with the Notice, PTSC CRD will endeavour to take all reasonable actions to mitigate the effects of the alleged force majeure event.

There is no material development on the status of the contract for the quarter under review.

(b) Utilisation of proceeds from the disposal of 26% equity interest of Yinson Production (West Africa) Pte Ltd to a consortium of Japanese companies

The details of the utilisation of the proceeds are as follows:

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Intended timeframe for utilisation
Capital expenditure	100,212	100,212	Within 24 months
Repayment of borrowings	208,775	125,706	Within 24 months
Working capital	Up to 177,459	133,830	Within 24 months
Estimated expenses	2,088	2,088	Within 6 months
Total	Up to 488,534	361,836	

24. Material Litigation

As at 31 January 2019, there was no material litigation against the Group since the last audited financial statements.

25. Dividend Payable

The Board of Directors recommends a final single-tier dividend of 2.0 sen per share for the financial year ended 31 January 2019. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

If approved, the entitlement date and payable date for the dividend would be 8 August 2019 and 28 August 2019 respectively.

26. Derivatives

Details of derivative financial instruments outstanding as at 31 January 2019 are as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets/ (Liabilities)
	RM'000	RM'000
<u>Interest rate swaps</u>		
1 to 3 years	204,765	893
More than 3 years	3,089,494	(39,440)

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

Interest rate swaps

The Group entered into the following interest rate swap contracts to mitigate the Group's exposure from fluctuations in interest rate arising from floating rate term loans:

- i. contract amounting to RM204.77 million that receives floating interest at 3 months US\$ LIBOR and pays fixed interest at 1.58% p.a.; and
- ii. contracts amounting to RM2,254.05 million that receive floating interest at 3 months US\$ LIBOR and pays fixed interest at 2.88% p.a.
- iii. contracts amounting to RM835.44 million that receive floating interest at 3 months US\$ LIBOR and pays fixed interest at 2.76% p.a.

For item i, the interest rate swap has been classified as At Fair Value through Profit or Loss which is measured at fair value and the changes in fair value will be taken to profit or loss. As at 31 January 2019, the net fair value loss on interest rate swap derivative measured at fair value through profit and loss is RM0.75 million.

For item ii and iii, the interest rate swaps have been classified as Cash Flows Hedge which is measured at fair value and the changes in fair value will be taken to cash flows hedge reserve. As at 31 January 2019, the net fair value gain on interest rate swap derivative measured at fair value through the reserve is RM6.72 million.

27. Adoption of MFRS 9

MFRS 9 replaces the provisions of MFRS 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of MFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in MFRS 9 paragraph 7.2.15 and 7.2.26, comparative figures have not been restated.

The impact of adoption of MFRS 9 are described below:

(i) Classification and measurement of financial assets

There is no impact on the classification and measurement of financial assets as significant portion of the Group's financial assets are debt instruments currently classified as loan and receivables and measured at amortised cost.

(ii) Hedge accounting

The current hedge relationships are aligned with the new hedge accounting rules and in accordance to the Group's risk management practices.

(iii) Expected credit loss model on impairment

The Group has performed impairment assessment for trade and other receivables, finance lease receivables and cash and bank balances at the end of reporting period, using both historical and forward-looking information available. The assessment has resulted in a decrease in opening retained earnings as at 1 February 2018 of RM18.53 million as presented below:

	Reported as at 31.1.2018	Effect of MFRS 9	Restated as at 1.2.2018
	RM'000	RM'000	RM'000
<u>Consolidated Statement of Financial Position</u>			
Investment in joint ventures	594,943	(1,436)	593,507
Trade and other receivables	331,340	(17,090)	314,250
Retained earnings	826,703	(18,526)	808,177

28. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2018 was not qualified.

29. 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 27 March 2019.