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

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Financial Year Ended 31 January 2023

	Individual Period 4th quarter				Cumulative Period			
	Current Year Quarter 31.1.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2022 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year Quarter 31.1.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2022 Audited RM million	Changes (Amount / %) RM million	%
Revenue	1,962	741	1,221	164.8%	6,324	3,607	2,717	75.3%
Direct expenses	(1,459)	(420)	(1,039)	247.4%	(4,485)	(2,299)	(2,186)	95.1%
Gross profit	503	321	182	56.7%	1,839	1,308	531	40.6%
Other operating income	37	56	(19)	-33.9%	97	101	(4)	-4.0%
Administrative expenses	(215)	(106)	(109)	102.8%	(498)	(312)	(186)	59.6%
Profit from operations	325	271	54	19.9%	1,438	1,097	341	31.1%
Finance costs	(172)	(112)	(60)	53.6%	(577)	(388)	(189)	48.7%
Share of (loss)/profit of joint ventures	(1)	(2)	1	-50.0%	(3)	10	(13)	-130.0%
Share of loss of associates	(2)	(2)	-	0.0%	(13)	(3)	(10)	333.3%
Profit before tax	150	155	(5)	-3.2%	845	716	129	18.0%
Income tax expense	(41)	(61)	20	-32.8%	(257)	(192)	(65)	33.9%
Profit for the period/year	**109**	**94**	**15**	**16.0%**	**588**	**524**	**64**	**12.2%**
Profit/(Loss) attributable to:								
Owners of the Company	168	65	103	158.5%	586	401	185	46.1%
Non-controlling interests	(59)	29	(88)	-303.4%	2	123	(121)	-98.4%
	109	94	15	16.0%	588	524	64	12.2%
	Sen	**Sen (Restated)**	**Changes (Amount / %) Sen**	**%**	**Sen**	**Sen (Restated)**	**Changes (Amount / %) Sen**	**%**
Earnings per share attributable to ordinary equity shareholders of the Company: *								
Basic	4.6	1.3	3.3	253.8%	16.6	10.9	5.7	52.3%
Diluted	4.6	1.3	3.3	253.8%	16.6	10.9	5.7	52.3%

* For comparative purpose, the basic and diluted earnings per share for the period/year ended 31 January 2022 had been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 14 April 2022, the bonus element of the rights issue of 2 rights shares for every 5 existing ordinary shares which was completed on 28 June 2022, and distributions declared to holders of perpetual securities in determining the profits attributable to ordinary equity shareholders. Please refer to Note 9 for further details.

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Financial Year Ended 31 January 2023

	Individual Period 4th quarter				Cumulative Period			
	Current Year Quarter 31.1.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2022 Unaudited RM million	Changes (Amount / %) RM million	%	Current Year Quarter 31.1.2023 Unaudited RM million	Preceding Year Corresponding Quarter 31.1.2022 Audited RM million	Changes (Amount / %) RM million	%
Profit for the period/year	109	94	15	16.0%	588	524	64	12.2%
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	(727)	33	(760)	-2303.0%	49	144	(95)	-66.0%
- Cash flows hedge reserve	(129)	46	(175)	-380.4%	405	134	271	202.2%
- Reclassification of changes in fair value of cash flow hedges	(23)	16	(39)	-243.8%	(10)	66	(76)	-115.2%
- Put option reserve	7	(2)	9	-450.0%	(4)	(7)	3	-42.9%
Total comprehensive (loss)/income for the period/year	**(763)**	**187**	**(950)**	**-508.0%**	**1,028**	**861**	**167**	**19.4%**
Total comprehensive (loss)/income for the period/year attributable to:								
Owners of the Company	(617)	141	(758)	-537.6%	931	682	249	36.5%
Non-controlling interests	(146)	46	(192)	-417.4%	97	179	(82)	-45.8%
	(763)	187	(950)	-508.0%	1,028	861	167	19.4%

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 January 2023

	AS AT 31.1.2023 Unaudited RM million	AS AT 31.1.2022 Audited RM million
ASSETS		
Non-current assets		
Property, plant and equipment	4,266	3,822
Investment properties	15	15
Intangible assets	251	297
Investment in joint ventures	359	419
Investment in associates	111	125
Deferred tax assets	36	3
Trade and other receivables	117	89
Other assets	225	240
Derivatives	343	-
Finance lease receivables	1,998	2,082
Contract assets	8,343	4,517
	16,064	**11,609**
Current assets		
Inventories	25	1
Trade and other receivables	802	555
Other assets	545	78
Finance lease receivables	97	89
Derivatives	66	-
Other investments	153	14
Cash and bank balances	1,507	2,859
	3,195	**3,596**
TOTAL ASSETS	**19,259**	**15,205**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2023

	AS AT 31.1.2023 Unaudited RM million	AS AT 31.1.2022 Audited RM million
EQUITY AND LIABILITIES		
Equity		
Share capital	2,220	1,134
Treasury shares	(369)	(178)
Foreign currency translation reserve	196	206
Cash flows hedge reserve	278	(30)
Share-based option reserve	8	10
Share grant reserve	27	26
Put option reserve	(62)	(126)
Warrants reserve	110	-
Retained earnings	1,727	1,364
Equity attributable to owners of the Company	4,135	2,406
Perpetual securities	1,792	1,848
Non-controlling interests	535	486
Total equity	**6,462**	**4,740**
Non-current liabilities		
Loans and borrowings	8,390	8,110
Lease liabilities	68	9
Trade and other payables	1,362	511
Derivatives	-	20
Deferred tax liabilities	337	192
	10,157	**8,842**
Current liabilities		
Loans and borrowings	1,194	648
Lease liabilities	21	14
Trade and other payables	1,326	808
Derivatives	2	3
Put option liability	62	126
Tax payables	35	24
	2,640	**1,623**
Total liabilities	**12,797**	**10,465**
TOTAL EQUITY AND LIABILITIES	**19,259**	**15,205**
Net assets per share attributable to owners of the Company (RM) *	**1.43**	**1.00**

* For comparative purpose, the net assets per share attributable to owners of the Company for the year ended 31 January 2022 had been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 14 April 2022, the bonus element of the rights issue of 2 rights shares for every 5 existing ordinary shares which was completed on 28 June 2022.

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 Financial Year Ended 31 January 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 2021	1,126	(174)	77	(189)	8	8	(181)	-	1,164	1,839	1,848	339	4,026
Total comprehensive income/(loss) for the year	-	-	129	159	-	-	(7)	-	401	682	-	179	861
Paid and accrued perpetual securities distribution by subsidiaries	-	-	-	-	-	-	-	-	(138)	(138)	-	-	(138)
Exercise of ESS	8	-	-	-	(1)	-	-	-	-	7	-	-	7
Issuance of ESS	-	-	-	-	4	-	-	-	-	4	-	-	4
ESS lapsed	-	-	-	-	(1)	-	-	-	1	-	-	-	-
Effect of Long-Term Incentive Plan	-	-	-	-	-	18	-	-	-	18	-	-	18
Cash dividends to owners of the Company	-	-	-	-	-	-	-	-	(64)	(64)	-	-	(64)
Cash dividends to non-controlling interests	-	-	-	-	-	-	62	-	-	62	-	(62)	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	30	30
Purchase of treasury shares	-	(4)	-	-	-	-	-	-	-	(4)	-	-	(4)
At 31 January 2022 (Audited)	**1,134**	**(178)**	**206**	**(30)**	**10**	**26**	**(126)**	**-**	**1,364**	**2,406**	**1,848**	**486**	**4,740**
At 1 February 2022	1,134	(178)	206	(30)	10	26	(126)	-	1,364	2,406	1,848	486	4,740
Total comprehensive income/(loss) for the year	-	-	41	308	-	-	(4)	-	586	931	-	97	1,028
Paid and accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(137)	(137)	-	-	(137)
Issue of perpetual securities by the Company	-	-	-	-	-	-	-	-	-	-	358	-	358
Redemption of perpetual securities	-	-	(51)	-	-	-	-	-	-	(51)	(414)	-	(465)
Changes in a subsidiary's shareholding	-	-	-	-	-	-	-	-	-	-	-	16	16
Exercise of ESS	16	-	-	-	(3)	-	-	-	-	13	-	-	13
Issuance of ESS	-	-	-	-	2	-	-	-	-	2	-	-	2
ESS lapsed	-	-	-	-	(1)	-	-	-	1	-	-	-	-
Effect of Long-Term Incentive Plan	-	-	-	-	-	1	-	-	-	1	-	-	1
Rights issue, net of transaction costs	1,070	-	-	-	-	-	-	110	-	1,180	-	-	1,180
Cash dividends to owners of the Company	-	-	-	-	-	-	-	-	(87)	(87)	-	-	(87)
Cash dividends to non-controlling interests	-	-	-	-	-	-	68	-	-	68	-	(70)	(2)
Purchase of treasury shares	-	(191)	-	-	-	-	-	-	-	(191)	-	-	(191)
Non-controlling interest on acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	1	1
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	5	5
At 31 January 2023 (Unaudited)	**2,220**	**(369)**	**196**	**278**	**8**	**27**	**(62)**	**110**	**1,727**	**4,135**	**1,792**	**535**	**6,462**

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 Financial Year Ended 31 January 2023

	Cumulative Period	
	31.1.2023	**31.1.2022**
	Unaudited	**Audited**
	RM million	**RM million**
		(Restated)
OPERATING ACTIVITIES		
Profit before tax	845	716
Adjustments for:		
Depreciation of property, plant and equipment	276	250
Amortisation of intangible assets	57	55
Unrealised loss/(gain) on foreign exchange	53	(23)
Finance costs	577	388
Fair value (gain)/loss on other investments	(1)	29
Impairment loss:		
- property, plant and equipment	117	3
- trade receivables	-	3
- other investments	6	-
- Investment in an associate	8	-
(Gain)/loss on disposal/liquidation of:		
- property, plant and equipment	(22)	-
- other investments	-	1
- subsidiaries	(13)	-
Property, plant and equipment written off	1	1
Bad debts written off	1	7
Share of loss/(profit) of joint ventures	3	(10)
Share of loss of associates	13	3
Finance lease income	(362)	(343)
Interest income	(47)	(23)
Equity settled share-based payment transaction	3	22
Other payables and provisions written back	-	(21)
Operating cash flows before working capital changes	1,515	1,058
Receivables	(101)	45
Contract assets	(3,913)	(2,206)
Other current assets	(376)	(102)
Inventories	(25)	3
Payables	1,231	(99)
Cash flows used in operations	(1,669)	(1,301)
Finance lease payments received	493	396
Interest received	85	23
Finance costs paid	(5)	(11)
Tax paid	(130)	(94)
Net cash flows used in operating activities	**(1,226)**	**(987)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Financial Year Ended 31 January 2023

	Cumulative Period	
	31.1.2023 Unaudited RM million	31.1.2022 Audited RM million (Restated)
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents	(4)	-
Loan to an associate	(9)	-
Repayment of advances from joint ventures	-	27
Investment in joint ventures	(1)	(12)
Investment in associates	(8)	(128)
Dividend received from joint ventures	49	47
Deposits received for acquisition of property, plant and equipment	55	-
Proceeds from disposal of a subsidiary	1	-
Proceeds from partial redemption of investment	81	85
Proceeds from disposal of other investments	74	106
Proceeds from disposal of property, plant and equipment	67	8
Purchase of intangible assets	(4)	(1)
Purchase of property, plant and equipment	(702)	(33)
Purchase of other investments	(227)	(75)
Deposits paid for acquisition of property, plant and equipment	(428)	(34)
Net cash flows used in investing activities	**(1,056)**	**(10)**
FINANCING ACTIVITIES		
Dividends paid to owners of the Company	(87)	(64)
Dividends paid to non-controlling interests	(70)	(62)
Proceeds of loans from non-controlling interests	-	171
Drawdown of loans and borrowings	1,588	5,038
Perpetual securities distribution paid	(141)	(138)
Proceeds from equity-settled share-based options	13	7
Proceeds from issuance of perpetual securities	358	-
Purchase of treasury shares	(191)	(4)
Repayment of loans and borrowings	(920)	(2,700)
Repayment of lease liabilities	(11)	(16)
Redemption of perpetual securities	(465)	-
Finance costs paid	(461)	(270)
Proceeds from rights issuance, net of transaction costs	1,180	-
Net cash flows generated from financing activities	**793**	**1,962**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Financial Year Ended 31 January 2023

	Cumulative Period	
	31.1.2023 Unaudited RM million	31.1.2022 Audited RM million (Restated)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,489)	965
Effects of foreign exchange rate changes	137	73
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	2,859	1,821
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	**1,507**	**2,859**

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash in hand and deposits held at call with banks, net of bank overdrafts (if any). Please refer to Note 1 "IFRIC agenda decisions that are concluded and published" for details of the prior year restatement.

Included in the cash and cash equivalents as at 31 January 2023 is an amount of RM564 million (31 January 2022: RM1,364 million) which were pledged to banks or lenders and can only be used for servicing of debts or the payment of suppliers relating to the constructions of certain FPSO projects.

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

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

This unaudited condensed consolidated interim financial statements (Condensed Report) of Yinson Holdings Berhad (the "Group" or "YHB") for the financial year ended 31 January 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 2022. The significant accounting policies and methods adopted for the Condensed Report are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2022 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 February 2022.

- Annual Improvements to MFRS 9 "Fees in the 10% Test for Derecognition of Financial Liabilities"
- Amendments to MFRS 3 "Reference to Conceptual Framework"
- Amendments to MFRS 116 "Proceeds Before Intended Use"
- Amendments to MFRS 137 "Onerous Contracts—Cost of Fulfilling A Contract"

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

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.

During the year, the Group has assessed the implication of the IFRIC agenda decision on demand deposits with restrictions on use arising from a contract with third party.

In line with the IFRIC agenda decision, the Group has, at the reporting date, reassessed the presentation of its pledged deposits which are maintained in Debt Service Reserve Accounts and Construction Accounts and determined that the pledged deposits meet the definition of cash and cash equivalents. Accordingly, prior year comparatives in the Statement of Cash Flows were restated.

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 2023</u>

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

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

2. Seasonal or Cyclical Factors

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year ended 31 January 2023, except the continued impact of the Covid-19 pandemic and the Russia-Ukraine conflict.

Impact of the Covid-19 pandemic

Since the World Health Organisation declared Covid-19 as a pandemic on 11 March 2020, there has been an ongoing global recovery from Covid-19 impacts in the current financial year as countries re-open international borders and introduce their respective vaccination programmes.

The Group's business continuity plans have succeeded to ensure minimal disruption to its daily operations. Threats and uncertainties which stemmed from the pandemic are mitigated by the fact that the Group's revenue stream comes primarily from long-term fixed priced contracts with reputable oil companies. Accordingly, the Covid-19 pandemic has not materially affected the financial performance, financial position, cash flows and liquidity of the Group in the current financial year.

The Group will continue to monitor and assess macro developments in order to take pre-emptive and proactive measures to mitigate adverse impacts as and when necessary. The extent to which the pandemic may further impact the Group's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence. These developments include new Covid-19 virus variants, the duration and severity of future outbreaks, and the actions that may be required to contain the virus or treat its impact. In particular, additional resources that may be required to safely contain any unforeseen developments in the Covid-19 pandemic globally, could adversely impact the Group's operations, work force, cash flows and financial position. Hence, the related impact arising from Covid-19 cannot be reasonably estimated at this time for the financial year ending 31 January 2024.

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 financial year ended 31 January 2023. 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 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 2023 except for:

(a) Incorporation of subsidiaries

Name of subsidiaries	**Date of incorporation**	**Country of incorporation**	**Proportion of ownership interest (%)**	**Principal activities**
YR Brazil Pte Ltd	11 February 2022	Singapore	100%	Investment holding
YR Nuoro Wind Pte Ltd (formerly known as YR Nuoro Pte Ltd)	28 February 2022	Singapore	100%	Investment holding
YR Peru Limited	2 March 2022	United Kingdom	100%	Investment holding
Yinson Mobility Sdn Bhd	15 March 2022	Malaysia	100%	a) Hire purchase and operational leasing of passenger cars (without driver), vans, trucks, utility trailers and recreational vehicles. b) Hiring of vehicles to the general public, and sourcing, purchasing and supplying of vehicle
YR Chile Holding Limited	22 March 2022	United Kingdom	100%	Investment holding
Yinson Azalea Holdings Pte Ltd	24 March 2022	Singapore	100%	Investment holding
Nuoro Wind S.r.l (formerly known as Nuoro S.r.L)	24 March 2022	Italy	100%	Generation of electricity through renewable resources
Yinson Macacia Sdn Bhd	10 May 2022	Malaysia	100%	Investment holding
YR Indonesia Pte Ltd	21 June 2022	Singapore	100%	Investment holding
YR Indonesia C&I Pte Ltd	21 June 2022	Singapore	100%	Investment holding

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 2023 except for: (continued)

(a) Incorporation of subsidiaries (continued)

Name of subsidiaries	**Date of incorporation**	**Country of incorporation**	**Proportion of ownership interest (%)**	**Principal activities**
Yinson Azalea Production Pte Ltd	5 August 2022	Singapore	100%	Provision of floating marine assets for chartering
YR Chile SpA	16 August 2022	Chile	100%	Investment holding
Pahiatua Wind Limited	26 August 2022	New Zealand	100%	Generation of electricity through renewable resources
Yinson Azalea Operacoes Angola Prestacao de Servicos (SU), Lda	21 September 2022	Angola	100%	Provision of operations maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Renováveis Brasil Ltda	6 October 2022	Brazil	100%	Investment holding
YR Canichiddeusi Wind Pte. Ltd.	18 October 2022	Singapore	100%	Investment holding
Oyika Green Technologies Sdn Bhd	19 October 2022	Malaysia	100%	Manufacture, distribution and provision of after sales service for electric motorcycle and provision of software service for electric motorcycles, battery and battery swapping stations
Canichiddeusi Wind S.r.l.	2 December 2022	Italy	100%	Generation of electricity through renewable resources
Farosson Pte. Ltd.	7 December 2022	Singapore	100%	Investment holding

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 2023 except for: (continued)

(a) Incorporation of subsidiaries (continued)

Name of subsidiaries	Date of incorporation	Country of incorporation	Proportion of ownership interest (%)	Principal activities
Farosson Asset Management Pte. Ltd.	8 December 2022	Singapore	100%	Investment holding
Farosson Capital Pte. Ltd.	8 December 2022	Singapore	100%	Fund management activities
Yinson EV Charge - LHN Energy Pte. Ltd.	21 December 2022	Singapore	100%	a) Engineering design and consultancy services in energy management and clean energy system b) Supporting services to land transport
Yinson the Netherlands B.V.	23 December 2022	The Netherlands	100%	Provision of intercompany services

(b) Acquisition of subsidiaries

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

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 2023 except for: (continued)

(b) Acquisition of subsidiaries (continued)

Name of subsidiaries	Date of acquisition	Country	Proportion of ownership interest (%)	Principal activities
Santa Clara Energia Renovavel Ltda	24 February 2022	Brazil	100%	Generation of electricity through renewable resources
PT Ineco Solar Solutions	8 September 2022	Indonesia	80%	Provision of services for development, construction and operation of commercial and industrial solar facilities
Gotsurge Pte Ltd	26 October 2022	Singapore	100%	Provision of freight forwarding and last mile logistics services to ship owners and marine suppliers

(c) Non-controlling interest in a subsidiary

On 30 March 2021, Green EV Charge Sdn Bhd (formerly known as Yinson EV Charge Sdn Bhd) ("GEVCSB") was incorporated in Malaysia and was wholly owned by Yinson Green Technologies (M) Sdn Bhd ("YGTMSB"), an indirect wholly owned subsidiary of the Company.

On 18 February 2022, YGTMSB, GEVCSB and Greentech Malaysia Alliances Sdn Bhd ("GTMA") had entered into a joint venture and shareholders' agreement ("Agreement") for the subscription of new ordinary shares in GEVCSB for the purpose of undertaking the investment in electric vehicle charging infrastructure and ecosystem business in Malaysia.

On 31 May 2022, YGTMSB has subscribed for additional 11,660,000 new ordinary shares in GEVCSB for a total consideration of RM11.66 million, while GTMA has subscribed for 5,000,000 new ordinary shares in GEVCSB for a total consideration of RM5 million. Upon completion of the allotment of new shares, YGTMSB and GTMA hold 11,700,000 and 5,000,000 ordinary shares, representing 70.06% and 29.94% equity interest of the enlarged share capital of GEVCSB, respectively.

YGTMSB had, on 6 December 2022, issued the option notice to exercise the option for the subscription of an additional 10,000,000 new ordinary shares in GEVCSB for a total cash consideration of RM10 million. Upon completion of the allotment of 10,000,000 ordinary shares to YGTMSB on 14 December 2022, YGTMSB and GTMA hold 21,700,000 and 5,000,000 ordinary shares, representing 81.27% and 18.73% equity interest of the enlarged share capital of GEVCSB, respectively.

(d) Change in equity interest in an associate

On 1 April 2022, Yinson Venture Capital Pte. Ltd. ("YVCPL"), an indirect wholly-owned subsidiary of the Company, has further subscribed for 25,863 shares at NOK290 each in Lift Ocean AS for a consideration of NOK7.5 million (RM4 million). As a result, YVCPL owns 23.3% equity interest in Lift Ocean AS.

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 2023 except for: (continued)

(e) Acquisition of associates

On 9 May 2022, YR Peru Limited, an indirect wholly-owned subsidiary of the Company, completed the acquisition of its 45% equity interest in Majes Sol. De Verano S.A.C. for a total cash consideration of USD0.7 million (RM3 million).

On 28 July 2022, YR C&I Pte Ltd, an indirect wholly-owned subsidiary of the Company, completed the acquisition of its 40% equity interest in Plus Xnergy Assets Sdn Bhd for a total consideration of RM1.6 million. The amount was paid in August 2022.

6. Segment information

For the Twelve-month Period Ended 31 January 2023

	Offshore Production & Offshore Marine			Renewables	Other Operations	Consolidated
	EPCIC	FPSO Operations	Total			
	RM million	RM million	RM million	RM million	RM million	RM million
Revenue						
Gross revenue	4,561	2,048	6,609	92	632	7,333
Elimination	-	(364)	(364)	(17)	(628)	(1,009)
Net revenue	4,561	1,684	6,245	75	4	6,324
Results						
Segment results	805	877	1,682	(129)	(115)	1,438
Finance costs						(577)
Share of loss of joint ventures						(3)
Share of loss of associates						(13)
Income tax expense						(257)
Profit after tax						588

For the Twelve-month Period Ended 31 January 2022

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

6. Segment information (continued)

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

a) Offshore Production & Offshore Marine segment consists of Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") business activities and FPSO operations covering leasing of vessels and marine related services.
b) Renewables segment consists of owning and operating renewable energy generation assets.
c) Other operations mainly consist of investment holding, management services and treasury services.

Transactions between segments are carried out on mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation.

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

Revenue for the financial year under review increased by RM2,712 million to RM6,245 million as compared to RM3,533 million in the corresponding financial year ended 31 January 2022. The increase in revenue was mainly due to higher contribution from the Group's FPSO operations mainly driven by the strengthening oil prices and higher contribution from EPCIC business activities (based on progress of construction). In the current financial year, EPCIC business activities for FPSO Maria Quitéria and FPSO Atlanta had commenced subsequent to the execution of firm contracts with Petrobras on 7 February 2022 and with Enauta Energia S.A. on 21 February 2022 respectively. The higher contribution from EPCIC business activities related to FPSO Maria Quitéria and FPSO Atlanta was partially offset by lower contribution from FPSO Anna Nery.

The segment recorded higher results by RM496 million to RM1,682 million as compared to RM1,186 million in the corresponding financial year ended 31 January 2022, mainly arising from higher contribution from FPSO operations and EPCIC business activities in the current financial year. Other positive contributions included a one-off gain on disposal of FPSO Adoon of RM22 million, following the completion of the sale and hand-over of the vessel on 11 January 2023.

<u>Other Operations</u>

The segment has incurred losses of RM115 million for the financial year under review as compared to loss of RM123 million in the corresponding financial year ended 31 January 2022. The 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 and impairment loss on investment in an associated company of RM8 million.

<u>Renewables</u>

The segment results for the financial year under review has decreased by RM163 million to a loss of RM129 million as compared to profit of RM34 million in the corresponding financial year ended 31 January 2022.

The decrease was mainly contributed by two exceptional events:
- Impairment loss on property, plant and equipment of RM117 million to factor in project cost increases due to solar panel price increases; and
- Unrealised foreign exchange loss of RM30 million arising from the overall weakening of INR against USD in the current financial year.

On the Bhadla operations, the profit for the financial year under review remains stable at RM9 million.

<u>Share of results of joint ventures and associates</u>

Joint ventures and associates have collectively contributed share of loss of RM16 million for the financial year under review as compared to share of profit of RM7 million for the corresponding financial year ended 31 January 2022, which was mainly due to absence of one-off recovery of certain operating overheads and higher start-up costs incurred for certain of the Group's associates in the current financial year.

6. Segment information (continued)

Consolidated profit after tax

The Group's profit after tax increased by RM64 million or 12% to RM588 million as compared to RM524 million for the corresponding financial year ended 31 January 2022. The increase was mainly due to the higher contribution from the Group's FPSO operations and EPCIC business activities as deliberated in the "Offshore Production & Offshore Marine" section above, which were partially offset by increase in finance costs of RM189 million mainly arising from the drawdown of the secured USD670 million syndicated long-term loan facility for the FPSO Anna Nery project and the RM1.0 billion 5-year Sustainability-Linked Sukuk Wakalah in December 2021, impairment loss on property, plant and equipment of RM117 million as deliberated in the 'Renewables' section above, increase in unfavourable foreign exchange movement of RM71 million and increase in tax expenses of RM65 million.

Consolidated financial position

For the current financial year under review, the Group's current assets decreased by RM401 million to RM3,195 million from RM3,596 million for the last audited financial year ended 31 January 2022, mainly as a result of lower cash position of RM1,507 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 RM1,017 million to RM2,640 million from RM1,623 million for the last audited financial year ended 31 January 2022 mainly arising from increased payables position to fund the EPCIC business activities related to FPSO Anna Nery, FPSO Maria Quitéria and FPSO Atlanta.

The Group's liquidity indicators, Current Ratio (Calculated as "Current Assets" divided by "Current Liabilities") decreased to 1.21 times as compared to 2.21 times of the last audited financial year ended 31 January 2022. The decrease is in accordance with the deliberation on the movement of the Group's current assets and current liabilities.

Net Gearing Ratio (Calculated as "Total Loans and Borrowings" less "Cash and Bank Balances plus liquid investments" divided by "Total Equity") decreased to 1.23 times as compared to 1.24 times for the last audited financial year ended 31 January 2022. The decrease is primarily the result of the Group's higher leverage on additional loans and borrowings drawdown to fund project execution needs, which was moderated by the Group's enhanced total equity position of RM6,462 million subsequent to the rights issue completed on 21 June 2022.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3-month ended		Cumulative 12-month ended	
	31.1.2023 Unaudited RM million	31.1.2022 Unaudited RM million	31.1.2023 Unaudited RM million	31.1.2022 Audited RM million
Interest income	(15)	(5)	(47)	(23)
Other income including investment income	(14)	(43)	(18)	(51)
Finance costs	172	112	577	388
Depreciation of property, plant and equipment	64	67	276	250
Amortisation of intangible assets	15	14	57	55
(Gain)/loss on disposal/liquidation of:-				
-property, plant and equipment	(22)	-	(22)	-
- other investments	-	-	-	1
- subsidiaries	(13)	-	(13)	-
Impairment loss:				
- trade receivables	-	-	-	3
- property, plant and equipment	117	-	117	3
- investment in an associate	8	-	8	-
- other investments	6	-	6	-
Property, plant and equipment written off	-	-	1	1
Net loss/(gain) on foreign exchange	70	(6)	44	(27)
Fair value (gain)/loss on other investments	(1)	29	(1)	29
Bad debts written off	-	7	1	7

8. Income Tax Expense

The income tax expense consists of:

	Current quarter 3-month ended		Cumulative 12-month ended	
	31.1.2023 Unaudited RM million	31.1.2022 Unaudited RM million	31.1.2023 Unaudited RM million	31.1.2022 Audited RM million
Current income tax	30	34	140	103
Deferred income tax	11	27	117	89
Total income tax expense	**41**	**61**	**257**	**192**

The effective tax rate for the current quarter ended 31 January 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

Basic earnings per share is calculated by dividing the profit for the current and cumulative quarter of the financial year, net of tax, attributable to ordinary equity shareholders of the Company by the weighted average number of shares outstanding during the financial period/year (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 12-month ended	
	31.1.2023 Unaudited	**31.1.2022 Unaudited Restated @**	**31.1.2023 Unaudited**	**31.1.2022 Audited Restated @**
Net profit attributable to owners of the Company (RM million)	168	65	586	401
(Less): Distributions declared to holders of perpetual securities (RM million) @	(34)	(34)	(137)	(138)
Net profit attributable to ordinary equity shareholders of the Company (RM million)	134	31	449	263
Weighted average number of ordinary shares in issue ('000)	2,896,444	1,065,202	2,707,253	1,065,202
Bonus issue completed on 14 April 2022 ('000) #	-	1,065,202	-	1,065,202
Rights issue completed on 28 June 2022 ('000) *	-	278,265	-	278,265
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,896,444	2,408,669	2,707,253	2,408,669
Basic earnings per share (sen)	4.6	1.3	16.6	10.9

(b) Diluted

Diluted earnings per share is calculated by dividing the Group's profit for the financial period/year attributable to ordinary equity shareholders 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 and free detachable warrants) ("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 and warrants granted by the reporting date, as if the options and warrants had been exercised on the first day of the financial period/year or the date of the grant, if later.

	Current quarter 3-month ended		Cumulative 12-month ended	
	31.1.2023 Unaudited	**31.1.2022 Unaudited Restated @**	**31.1.2023 Unaudited**	**31.1.2022 Audited Restated @**
Net profit attributable to ordinary equity shareholders of the Company (RM million)	134	31	449	263
Weighted average number of ordinary shares in issue ('000)	2,896,444	1,065,202	2,707,253	1,065,202
Adjustments for ESS options ('000)	2,525	2,822	2,525	2,822
Adjusted weighted average number of ordinary shares in issue ('000)	2,898,969	1,068,024	2,709,778	1,068,024
Bonus issue completed on 14 April 2022 ('000) #	-	1,068,024	-	1,068,024
Rights issue completed on 28 June 2022 ('000) *	-	278,265	-	278,265
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,898,969	2,414,313	2,709,778	2,414,313
Diluted earnings per share (sen)	4.6	1.3	16.6	10.9

9. Earnings Per Share (continued)

(c) Restatement of prior period/year earnings per share

For comparative purpose, the basic and diluted earnings per share for the period/year ended 31 January 2022 had been adjusted to reflect:

the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 14 April 2022; and

* the bonus element of the rights issue of 2 rights shares for every 5 existing ordinary shares which was completed on 28 June 2022.

@ In accordance with MFRS 133 Earnings Per Share, paragraph 12, the profit or loss attributable to ordinary equity shareholders of the Company for the purpose of calculating basic and diluted earnings per share shall be adjusted for the after-tax amounts of preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity.

Given the diversity in practice, the Group has re-considered and 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 3-month period ended 31 January 2022 and 12-month period ended 31 January 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 year was RM1,130 million (31 January 2022: RM33 million). There was no material disposal for the current financial year.

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 year under review.

(a) The Company increased its issued and paid-up share capital by way of issuance of 4,388,400 new ordinary shares arising from the exercise of options under Employees' Share Scheme amounting to RM2 million;

(b) The Company repurchased 84,203,800 of its issued shares from open market on Bursa Malaysia Securities Berhad amounting to RM191 million;

(c) On 5 October 2022, Yinson Juniper Limited, an indirect wholly owned subsidiary of the Company made a redemption of its unrated perpetual securities of USD100 million (equivalent to RM465 million) in nominal value under its Multi-Currency Perpetual Securities Programme; and

(d) On 2 November 2022 and 5 December 2022, the Company issued Perpetual Non-Callable 5-year Sukuk Wakalah of RM250 million and RM110 million respectively pursuant to its Subordinated Perpetual Islamic Notes Programme of up to RM1.0 billion in nominal value. Both the issuances are subordinated in nature and are callable after the said 5-year period. The profit rate of both issuances is 7.5% per annum.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 January 2023 and 31 January 2022 are as follows:

	As at 31 January 2023		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Sustainability-Linked Sukuk Wakalah	8	996	1,004
Term loans	753	6,944	7,697
Revolving credits	77	-	77
Trade facilities	242	-	242
	1,080	7,940	9,020
Unsecured			
Term loans	-	450	450
Revolving credits	114	-	114
	114	450	564
Total loans and borrowings	**1,194**	**8,390**	**9,584**

	As at 31 January 2023		
	Short term RM million	Long term RM million	Total borrowings RM million
Secured			
Sustainability-Linked Sukuk Wakalah	7	995	1,002
Term loans	537	6,689	7,226
Revolving credits	59	-	59
	603	7,684	8,287
Unsecured			
Term loans	-	426	426
Revolving credits	45	-	45
	45	426	471
Total loans and borrowings	**648**	**8,110**	**8,758**

13. Interest-bearing Loans and Borrowings (continued)

Except for the borrowings of RM7,745 million (31 January 2022: RM7,392 million) denominated in US Dollar and RM705 million (31 January 2022: RM319 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

	As at 31 January 2023		As at 31 January 2022	
	Dividend per share Sen	**Amount of single-tier dividend RM million**	**Dividend per share Sen**	**Amount of single-tier dividend RM million**
The Company				
Interim dividend in respect of the financial year ended: - 31 January 2023	1.0	29	-	-
Final dividend in respect of the financial year ended: - 31 January 2022	2.0	58	-	-
Interim dividend in respect of the financial year ended: - 31 January 2022	-	-	4.0	43
Final dividend in respect of the financial year ended: - 31 January 2021	-	-	2.0	21
Dividends recognised as distribution to ordinary equity holders of the Company	**3.0**	**87**	**6.0**	**64**

15. Capital Commitments

As at 31 January 2023, the capital commitments not provided for in the interim condensed financial statements were as follows:

- Approved and contracted for – RM160 million.

16. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent assets and contingent liabilities since the last audited financial statements.

17. Material Events After the Reporting Date

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

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

17. Material Events After the Reporting Date (continued)

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

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

i) The tenure of the APA is for a period of 60 days or approximately two (2) months from the Effective Date, being 2 December 2022 of the APA.
ii) The estimated aggregate value of the APA is approximately USD218 million (equivalent to approximately RM956 million), subject to the terms and condition of the APA.

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

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

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

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

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

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

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2023 RM million	**31.1.2022 RM million**	**31.1.2023 RM million**	**31.1.2022 RM million**
Related companies controlled by certain Directors:				
- purchase of vehicles	1	-	2	-
- service fee charges	1	-	1	-
Joint ventures				
- dividend income	-	-	49	47
- management fee income	-	7	-	13
- finance lease income	-	-	-	2
- repayment of advances	-	24	-	27
Associates				
- loan	-	-	9	-

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

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

19. Performance Review

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

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

	Current quarter 31.1.2023 RM million	Immediate Preceding Quarter 31.10.2022 RM million	Changes RM million	Changes %
Revenue	1,962	1,737	225	13.0%
Direct expenses	(1,459)	(1,232)	(227)	18.4%
Gross profit	503	505	(2)	-0.4%
Other operating income	37	23	14	60.9%
Administrative expenses	(215)	(105)	(110)	104.8%
Profit from operations	325	423	(98)	-23.2%
Finance costs	(172)	(161)	(11)	6.8%
Share of loss of joint ventures	(1)	-	(1)	-
Share of loss of associates	(2)	(4)	2	-50.0%
Profit before tax	150	258	(108)	-41.9%
Income tax expense	(41)	(81)	40	-49.4%
Profit after tax	109	177	(68)	-38.4%

For the quarter under review, the Group reported a higher revenue of RM1,962 million compared to Q3 FY23's revenue of RM1,737 million. The increase was mainly due to higher contribution from EPCIC business activities (based on progress of construction). The higher contribution from EPCIC business activities arose from higher contribution from FPSO Maria Quitéria, which was partially offset by lower contribution from FPSO Anna Nery and FPSO Atlanta.

The Group's profit before tax for the fourth quarter of the current financial year decreased by 42% or RM108 million to RM150 million as compared to RM258 million in the preceding quarter. The decrease was mainly due to the impairment losses on property, plant and equipment as deliberated in the 'Renewables' section above and investment in an associated company of RM117 million and RM8 million respectively and higher financing costs of RM11 million in the current financial period, which was partially offset by the one-off gain on disposal of FPSO Adoon of RM22 million.

21. Commentary on Prospects

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

21. Commentary on Prospects (continued)

The increase in global energy demand has encouraged the increase in global upstream capex spending as the world economy continues to recover despite impacts of inflation and supply chain disruptions. 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. Although the higher energy demand encourages business activities within the oil & gas industry, the Russia-Ukraine conflict is of economic concern. Sanctions on Russia and Belarus are causing further inflation and supply chain bottlenecks on the global economy, even as the Covid-19 pandemic transitioned into an endemic. Globally, interest rates have also risen significantly in 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 an energy infrastructure and technology provider with a solid leadership position in sustainability, the Management is confident of the Group's ability to stay resilient amidst the rising global economic challenges with its underlying risks. 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

Rights Issue and Utilisation of Proceeds

On 28 June 2022, the Rights Issue has been completed following the listing of and quotation for 844,207,538 Rights Shares and 361,802,016 Warrants on the Main Market of Bursa Securities. The Company received valid acceptances and excess applications of 1,032,549,187 Rights Shares, resulting in the Rights Issue being oversubscribed by 22.31%. The proceeds from the exercise will be used to fuel the Group's growth and expansion plans while improving on the net gearing and financial position.

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

Utilisation of Proceeds	**Intended timeframe for utilisation ***	**Proposed utilisation**	**Actual utilisation #**	**(Over)/Unutilised amounts**
		RM million	RM million	RM million
New FPSO project	Within 18 months	762	707	55
Expansion of renewable energy and green technology business	Within 18 months	44	76	(32)
Repayment of bank borrowings	Within 3 months	318	323	(5)
Working capital	Within 3 months	55	74	(19)
Defrayment of estimated expenses	Within 12 months	11	10	1
	Total	**1,190**	**1,190**	**-**

Notes:
* From 28 June 2022 (being the date of completion of the Rights Issue).
# From 28 June 2022 to 31 January 2023.

24. Material Litigation

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

25. Dividend Payable

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

26. Derivatives

Details of derivative financial instruments outstanding as at 31 January 2023 are as follows:

Types of derivatives	Contract / Notional Amount	Fair Value Assets	Fair Value Liabilities
	RM million	RM million	RM million
Interest rate swaps (Note (a))			
- Within 1 year	367	27	-
- More than 1 year	5,086	343	-
Foreign exchange forward contracts (Note (b))			
- Within 1 year	1,418	39	2

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

(a) Interest rate swaps

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

i. contracts amounting to RM738 million that pays floating interest at 3 months US$ LIBOR;

ii. contracts amounting to RM2,724 million that pays floating interest at 3 months US$ LIBOR; and

iii. contracts amounting to RM1,991 million that pays floating interest at 3 months US$ Secured Overnight Financing Rate.

For all items above, the interest rate swaps have been designated as Cash Flows Hedge which were measured at fair value and the changes in fair value were taken to the cash flows hedge reserve. For the financial year ended 31 January 2023, the fair value movement on interest rate swap derivatives measured at fair value through the reserve was RM395 million.

(b) Foreign exchange forward contracts

The Group entered into the forward contracts to mitigate the Group's exposure from exchange rate movements on foreign currency positions originating primarily from firm commitments denominated in currencies which are not in the functional currency of the respective subsidiaries and from 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 2022 was not qualified.

28. Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23 March 2023.