

## PRESS RELEASE

For immediate release



### YINSON RECORDS HIGHER CORE PROFIT OF RM298.00 MILLION IN Q3'FYE2021

KUALA LUMPUR – 21 December 2020

YINSON HOLDINGS BERHAD (“Yinson” or the “Group”), one of the world’s leading energy solution providers, today announced its third quarter results for the financial year ending 31 January 2021 (“Q3'FYE2021”).

#### FINANCIAL RESULTS

Current quarter vs preceding quarter:

	Q3'FYE2021 (RM'million)	Q2'FYE2021 (RM'million)	%Change
Revenue	2,262.32	995.58	127.24%
Profit Before Tax (PBT)	183.20	173.06	5.86%
Profit After Tax (PAT)	136.87	127.86	7.05%
Core Profit*	298.00	167.49	77.92%

\* Earnings associated with business operations, excluding earnings from non-operation items and gains or losses from nonrecurring items.

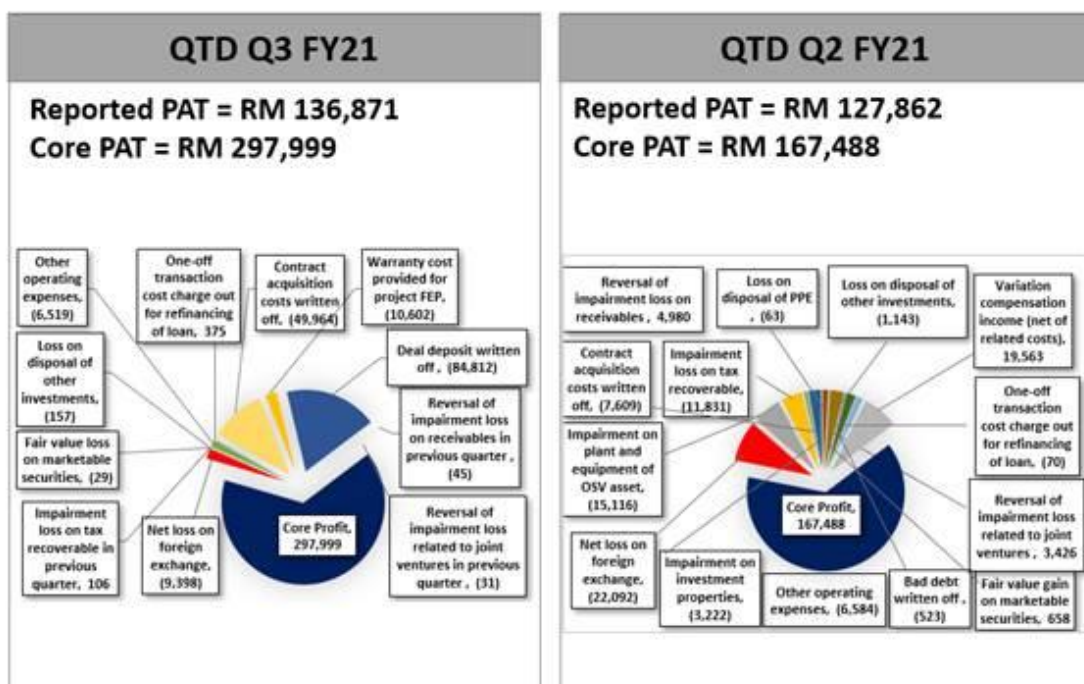
	Q3'FYE2021 (RM'million)	Q2'FYE2021 (RM'million)	%Change
Revenue			
- EPCIC	1,906.10	654.59	191.19%
- Non-EPCIC and Other	356.22	340.99	4.47%
	2,262.32	995.58	127.24%
Profit After Tax			
- EPCIC	191.11	68.67	178.30%
- Non-EPCIC and Other	(54.24)	59.19	-191.64%
	136.87	127.86	7.05%
Core Profit			
- EPCIC	213.73	55.04	288.31%
- Non-EPCIC and Other	84.27	112.45	-25.06%
	298.00	167.49	77.92%

For the quarter under review, the Group’s revenue increased by 127.24% to RM2,262.32 million as compared to Q2'FYE2021 revenue of RM995.58 million. The increase was mainly attributed to the recognition of EPCIC business activities contribution. EPCIC business activities contributed RM1,906.10

million during the period under review based on the FPSO Anna Nery construction progress measured using input method in accordance to actual costs incurred and the commencement of lease for FPSO Abigail-Joseph that gave rise to a one-off outright sales recognition under a finance lease classification.

The Group's profit after tax for the third quarter of the current financial year was higher by 7.05% or RM9.01 million to RM136.87 million as compared to RM127.86 million in the immediate preceding quarter. The increase was mainly attributable to positive contribution from EPCIC business activities, absence of impairment loss in tax recoverable and property, plant and equipment of RM27.05 million and lower loss on foreign exchange of RM12.70 million. The positive contributions were offset by lower other income of RM11.91 million, absence of reversal in impairment loss on trade and other receivables and advances to a joint venture of RM8.48 million, higher contract acquisition costs written off of RM42.36 million and deal deposit written off of RM84.81 million associated to a one-off forfeiture of a deposit of USD20 million related to the lapsed proposed part acquisition of Ezion Holdings Limited in September 2020.

### QTD CORE & REPORTED PAT (RM'000)



**Current 9 months period vs preceding year's corresponding 9 months period:**

	<b>YTD Q3'FYE2021 (RM'million)</b>	<b>YTD Q3'FYE2020 (RM'million)</b>	<b>%Change</b>
Revenue	3,601.64	663.40	442.91%
Profit Before Tax (PBT)	422.34	234.91	79.79%
Profit After Tax (PAT)	310.69	184.42	68.47%
Core Profit*	562.63	190.87	194.78%

\* Earnings associated with business operations, excluding earnings from non-operation items and gains or losses from nonrecurring items.

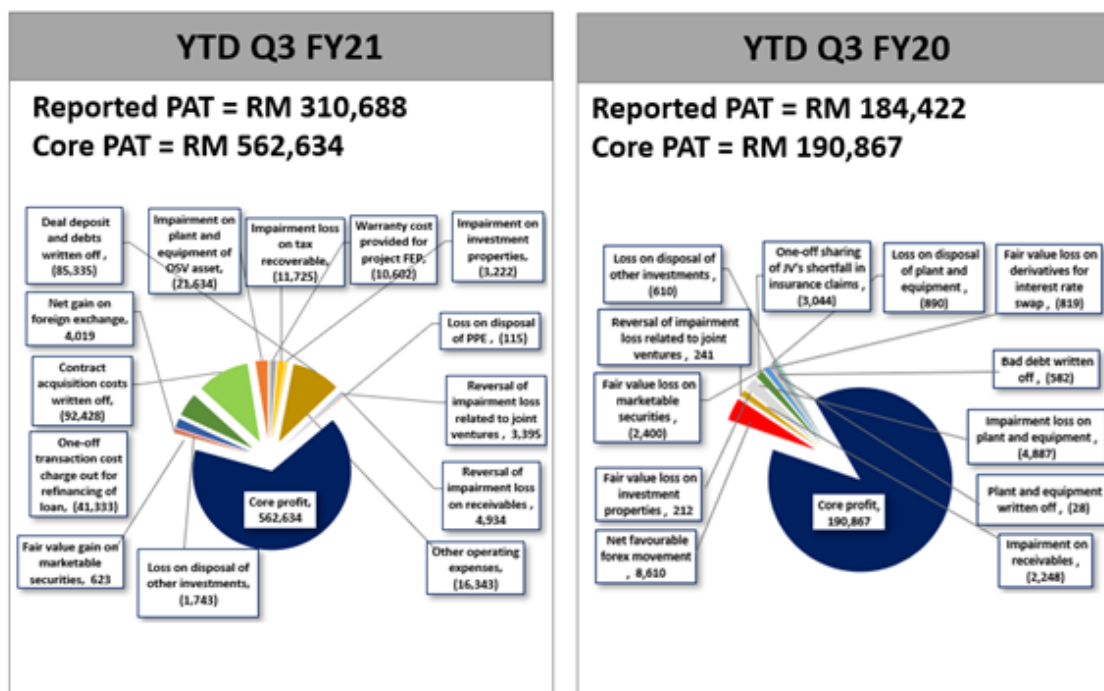
	<b>YTD Q3'FYE20 21 (RM'million)</b>	<b>YTD Q3'FYE20 20 (RM'million)</b>	<b>%Change</b>
Revenue			
- EPCIC	2,560.69	-	N/M
- Non-EPCIC and Other	1,040.95	663.40	56.91%
	3,601.64	663.40	442.91%
Profit After Tax			
- EPCIC	259.79	-	N/M
- Non-EPCIC and Other	50.90	184.42	-72.40%
	310.69	184.42	68.47%
Core Profit			
- EPCIC	268.77	-	N/M
- Non-EPCIC and Other	293.86	190.87	53.96%
	562.63	190.87	194.78%

Year on year, Q3'FYE2021 revenue and PAT increased by 442.91% and 68.47% respectively.

The increase in revenue was mainly attributable to the above-mentioned contribution from EPCIC business activities related to FPSO Anna Nery and FPSO Abigail-Joseph.

The Group's profit after tax increased by RM126.27 million or 68.47% to RM310.69 million as compared to RM184.42 million for the corresponding financial period ended 31 October 2019 attributed to the aforementioned contribution from EPCIC business activities and FPSO Helang, higher other income of RM32.09 million and reversal of impairment on trade and other receivables and advances to a joint venture of RM10.34 million. The positive contributions were off-set mainly by higher depreciation and amortisation charges of RM51.91 million, higher impairment loss on property, plant and equipment of RM16.75 million, contract acquisition costs written off of RM92.43 million, deal deposit written off of RM84.81 million associated to above-mentioned forfeiture of a deposit and higher finance costs of RM99.01 million mainly resulting from one-off charge out of remaining deferred financing cost associated to the repaid loan related to FPSO JAK's refinancing exercise which concluded in April 2020 and financing of EPCIC business activities.

## YTD CORE & REPORTED PAT (RM'000)



## DIVIDEND

In the previous quarter, the Board of Directors declared an interim single-tier dividend of 4.0 sen per ordinary share for the financial year ending 31 January 2021, amounting to approximately RM42.65 million, which was paid on 18 December 2020. The interim single-tier dividend entitlement date was 30 November 2020.

## CHAIRMAN COMMENTARY - MR. LIM HAN WENG, GROUP EXECUTIVE CHAIRMAN OF YINSON

The Covid-19 pandemic continues to exert pressure on the global economy. However, the reopening of economies in various countries coupled with uplifting news relating to the rollout of vaccine brings a positive note to the closing months of 2020. Encouragingly, the International Monetary Fund projects that the global economy will rebound from an estimated 4.4% contraction in 2020 to a 5.2% growth in 2021. I am pleased that Yinson has shown resilience during this challenging season, recording a steady growth of 68% in profit after tax to RM310.69 million for the first nine months of the financial year.

It is reassuring to note that the price of Brent crude oil recently reached and remained at its highest levels since March 2020 - close to US\$50 per barrel. Moving forward, positive factors from anticipated economic recovery should collectively lead to stronger oil demand and more FPSO projects being awarded in the near term. The energy sector also continues to be flushed with vibrant talks of the steep growth expected in renewable energy utilisation, affirming our belief that our active venture into renewables was the right decision.

Despite many unprecedented challenges brought about by the pandemic, we are extremely pleased that FPSO Abigail-Joseph received its 1<sup>st</sup> Oil Certificate on 28

October 2020, following a successful 72-hour Stabilisation Testing. This commenced the firm charter of the FPSO for a period of seven years, with options to extend for a further eight years.

The conversion of FPSO Anna Nery remains on track with a successful accumulation of more than 2.5 million manhours without any Lost Time Injuries (LTIs) thus far. Having completed its first of two dry docking campaigns as planned with most of the steel works completed, the vessel will soon undergo the next phase towards completion – blasting and painting followed by a 4-module fabrication in China.

On 18 November 2020, FPSO Adoon celebrated the significant milestone of nine years without LTI. We are proud of this achievement, as Yinson is fully committed to create an environment that prioritises the safety of its people whilst ensuring that the asset performs at optimal capacity.

Closer to home, our FPSO Helang, moored in the Layang Field in Offshore Miri, Sarawak, achieved 1 million barrels of Layang Blend Crude production on 6 November 2020. My heartiest congratulations to the operations team together with our client JX Nippon Oil & Gas Exploration (Malaysia) Limited on this wonderful achievement.

In line with Yinson's digitalisation strategies, Yinson has entered into an agreement with global maritime industry company, Wilhelmsen, for a fast-forward programme which provides exclusive access to 3D printing technology and products. To further continue to unlock the value of 3D printing technology, we are excited to participate in a Wilhelmsen-led Joint Industry Project (JIP) being one of 11 projects awarded by the Maritime and Port Authority of Singapore (MPA) under its Maritime Innovation and Technology (MINT) Fund, which shares a total of SGD1.652 million in co-funding. Yinson joins global leading original equipment manufacturers, class society, technology partners and other forward-leaning end users in this consortium. These are two of several investments into digitalisation we are making which we believe will reduce total cost of ownership, risks and environmental impacts while improving efficiency, thus generating greater value to all our stakeholders in the long term.

Yinson also received several corporate awards this quarter. We won the 2019 ASEAN Corporate Governance Scorecard Awards, under the 'ASEAN Asset Class Award' category, as a recognition of our outstanding and exemplary corporate governance practices. We were also awarded The Asset Asian Awards 2020 for 'Best Syndicated Loan' in recognition of the USD400m bridge financing agreement that we arranged for the FPSO Anna Nery project. In addition, Yinson was voted by AsiaMoney as 'Most Outstanding Company in Malaysia – Energy Sector' for the second consecutive year; and Malaysia's 'Best Mid Caps' company by FinanceAsia. We are humbled by these recognitions and thank the investor community for their continued vote of confidence in us.

In October 2020, Yinson's Ghana office collaborated with local community leaders to provide an Information Community Technology Centre which will serve students in four schools in Kejabil. This project, along with many others that we have invested into over the years, was recognised through three awards that we received at the Sustainability and Social Investment Awards – an initiative that recognises companies

operating in Ghana which improve the quality of life of the communities they operate in through Corporate Social Responsibility projects.

As 2020 draws to a close, we express our appreciation to all our stakeholders for your continued trust in us. We look forward to continuing our journey with you in 2021. Please stay safe and enjoy a wonderful new year with your loved ones.

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## **About Yinson Holdings Berhad**

### **“PASSIONATELY DELIVERING POWERFUL SOLUTIONS”**

Yinson Holdings Berhad (“Yinson” or the “Group”) is one of the world’s leading energy solution providers, listed on the Main Market of Bursa Malaysia Securities Berhad.

Yinson was established in 1983 as a transport agency in Johor Bahru which eventually grew to become one of Malaysia’s biggest transport companies.

In 2011, the Group began its venture into the oil and gas industry by winning its first Floating, Storage and Offloading (“FSO”) contract through its joint venture company with PetroVietnam Technical Services Corporation.

In 2014, Yinson strengthened its core business through the acquisition of Fred. Olsen Production ASA. With the acquisition, Yinson inherited a strong and experienced team as well as a further 3 FPSOs and 1 mobile offshore production unit management contract.

In 2016, the Group streamlined the business transformed into a full-fledged FPSO operator through the divestment of its non-oil & gas business segments. Today, with our extensive engineering and operational expertise in our Offshore Production Division, Yinson has grown to become one of the largest independent FPSO leasing companies.

Yinson now operates three business divisions - Offshore Production, Renewables, and Offshore Marine. Our Renewables footprint is rapidly expanding to position the business to become a major revenue stream for the group as we target becoming one of the leading clean energy independent power producers (IPPs) globally.

The Group’s current market capitalisation stands at RM5.77 billion as at 21 December 2020.

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**Issued by Imej Jiwa Communications Sdn Bhd on behalf of Yinson Holdings Berhad**

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