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

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Twelve Months Year Ended 31 January 2018

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (Amount / %)		Current Year To date	Preceding Year Corresponding Period	Changes (Amount / %)	
	31.1.2018	31.1.2017			31.1.2018	31.1.2017		
	Unaudited	Unaudited			Unaudited	Audited		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Continuing operations								
Revenue	257,394	185,468	71,926	39%	910,156	543,255	366,901	68%
Direct expenses	(96,550)	(85,980)	(10,570)	12%	(363,790)	(271,355)	(92,435)	34%
Gross profit	160,844	99,488	61,356	62%	546,366	271,900	274,466	101%
Other operating income	51,738	(13,983)	65,721	-470%	64,070	13,200	50,870	385%
Administrative expenses	(79,905)	(56,229)	(23,676)	42%	(184,935)	(122,937)	(61,998)	50%
Profit from operations	132,677	29,276	103,401	353%	425,501	162,163	263,338	162%
Finance costs	(54,440)	(8,669)	(45,771)	528%	(107,540)	(32,314)	(75,226)	233%
Share of results of joint ventures	(4,311)	8,903	(13,214)	-148%	43,081	82,457	(39,376)	-48%
Share of results of associates	(127)	773	(900)	-116%	728	873	(145)	-17%
Profit before tax from continuing operations	73,799	30,283	43,516	144%	361,770	213,179	148,591	70%
Income tax expense	(16,801)	20,918	(37,719)	-180%	(69,697)	(18,706)	(50,991)	273%
Profit after tax from continuing operations	56,998	51,201	5,797	11%	292,073	194,473	97,600	50%
Discontinued operations								
Profit from discontinued operations, net of tax	-	-	-	0%	-	2,282	(2,282)	-100%
Profit for the period	**56,998**	**51,201**	**5,797**	**11%**	**292,073**	**196,755**	**95,318**	**48%**
Profit attributable to:								
Owners of the parent	57,140	51,201	5,939	12%	292,179	197,048	95,131	48%
Non-controlling interests	(142)	-	(142)	100%	(106)	(293)	187	-64%
	56,998	51,201	5,797	11%	292,073	196,755	95,318	48%
Earnings per share attributable to owners of the parent:								
Basic (sen)	5.31	4.71	0.60	13%	26.85	18.07	8.78	49%
Diluted (sen)	5.30	4.70	0.60	13%	26.79	18.07	8.72	48%
Earnings per share from continuing operations attributable to owners of the parent:								
Basic (sen)	5.31	4.71	0.60	13%	26.85	17.84	9.01	51%
Diluted (sen)	5.30	4.70	0.60	13%	26.79	17.84	8.95	50%
Earnings per share from discontinued operations attributable to owners of the parent:								
Basic (sen)	-	-	-	0%	-	0.23	(0.23)	-100%
Diluted (sen)	-	-	-	0%	-	0.23	(0.23)	-100%

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

YINSON HOLDINGS BERHAD (Company No. 259147-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Twelve Months Year Ended 31 January 2018

	Individual Period (4th quarter)				Cumulative Period			
	Current Year Quarter 31.1.2018 Unaudited RM'000	Preceding Year Corresponding Quarter 31.1.2017 Unaudited RM'000	Changes (Amount / %) RM'000	%	Current Year To date 31.1.2018 Unaudited RM'000	Preceding Year Corresponding Period 31.1.2017 Audited RM'000	Changes (Amount / %) RM'000	%
Profit for the period	56,998	51,201	5,797	11%	292,073	196,755	95,318	48%
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:								
- Exchange differences on translation of foreign operations	(221,964)	115,374	(337,338)	-292%	(313,150)	141,940	(455,090)	-321%
- Transfer from held for sale reserve following the disposal of subsidiaries and associate	-	(9,575)	9,575	-100%	-	(9,575)	9,575	-100%
- Cash flows hedge reserve	64,625	86,070	(21,445)	-25%	55,869	47,670	8,199	17%
Total comprehensive (loss)/income for the period	**(100,341)**	**243,070**	**(343,411)**	**-141%**	**34,792**	**376,790**	**(341,998)**	**-91%**
Total comprehensive (loss)/ income for the period attributable to:								
Owners of the parent	(100,199)	243,070	(343,269)	-141%	34,898	377,141	(342,243)	-91%
Non-controlling interests	(142)	-	(142)	100%	(106)	(351)	245	-70%
	(100,341)	243,070	(343,411)	-141%	34,792	376,790	(341,998)	-91%

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

YINSON HOLDINGS BERHAD (Company No. 259147-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2018

	AS AT 31.1.2018 Unaudited RM'000	AS AT 31.1.2017 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,535,241	4,609,661
Investment properties	24,307	29,931
Intangible assets	23,660	27,611
Investment in joint ventures	594,943	725,545
Investment in associates	1,949	2,599
Other receivables	6,497	10,165
Deferred tax assets	16,302	-
	5,202,899	**5,405,512**
Current assets		
Inventories	4,378	5,309
Trade and other receivables	384,949	94,302
Advances to joint ventures	37,326	64,253
Advances to associates	374	8,257
Other current assets	120,131	45,770
Tax recoverable	4,375	5,708
Derivatives	1,640	-
Other investment	79,901	27,296
Cash and bank balances	637,120	633,922
	1,270,194	**884,817**
TOTAL ASSETS	**6,473,093**	**6,290,329**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2018

	AS AT 31.1.2018 Unaudited RM'000	AS AT 31.1.2017 Audited RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	1,099,490	1,099,462
Treasury shares	(12,633)	(12,633)
Foreign currency translation reserve	34,351	347,501
Cash flows hedge reserve	(46,162)	(102,031)
Capital reserve	96,690	-
Share-based option reserve	1,962	304
Retained earnings	826,703	636,110
Equity attributable to owners of the parent	2,000,401	1,968,713
Perpetual securities of a subsidiary	632,162	437,460
Non-controlling interests	595	-
Total equity	**2,633,158**	**2,406,173**
Non-current liabilities		
Loans and borrowings	2,647,066	3,170,819
Other payables	361,783	-
Unfavourable contracts	4,670	26,563
Derivatives	42,349	102,031
Deferred tax liabilities	42	5,450
	3,055,910	**3,304,863**
Current liabilities		
Loans and borrowings	363,092	222,354
Trade and other payables	354,306	299,767
Dividend payable	61	-
Unfavourable contracts	18,713	21,258
Derivatives	3,813	425
Tax payables	44,040	35,489
	784,025	**579,293**
Total liabilities	**3,839,935**	**3,884,156**
TOTAL EQUITY AND LIABILITIES	**6,473,093**	**6,290,329**
Net assets per share attributable to owners of the parent (RM)	**1.8305**	**1.8015**

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 2018

	Attributable to owners of the parent												
	Share capital	**Share premium**	**Treasury Shares**	**Foreign currency translation reserve**	**Reserves of disposal group classified as held for sale**	**Cash Flows Hedge reserve**	**Share-based option reserve**	**Capital reserve**	**Retained earnings**	**Total equity attributable to owners of the parent**	**Perpetual securities of a subsidiary**	**Non-controlling interests**	**Total equity**
	RM'000		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 February 2016	546,399	553,063	-	207,953	7,125	(149,701)	-	-	649,235	1,814,074	437,460	1,850	2,253,384
Total comprehensive loss for the period	-	-	-	141,998	(9,575)	47,670	-	-	197,048	377,141	-	(351)	376,790
Discontinued operations	-	-	-	(2,450)	2,450	-	-	-	-	-	-	-	-
Accrued perpetual securities distributions by a subsidiary	-	-	-	-	-	-	-	-	(29,305)	(29,305)	-	-	(29,305)
Cash dividends	-	-	-	-	-	-	-	-	(180,868)	(180,868)	-	-	(180,868)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,499)	(1,499)
Purchase of treasury shares	-	-	(12,633)	-	-	-	-	-	-	(12,633)	-	-	(12,633)
Issuance of ESS	-	-	-	-	-	-	304	-	-	304	-	-	304
Transition to no-par value regime	553,063	(553,063)	-	-	-	-	-	-	-	-	-	-	-
At 31 January 2017 (Audited)	**1,099,462**	**-**	**(12,633)**	**347,501**	**-**	**(102,031)**	**304**	**-**	**636,110**	**1,968,713**	**437,460**	**-**	**2,406,173**
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 income for the period	-	-	-	(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
Accrued perpetual securities distributions by a subsidiary	-	-	-	-	-	-	-	-	(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)
Issuance of ESS	28	-	-	-	-	-	1,658	-	-	1,686	-	-	1,686
Cash dividends	-	-	-	-	-	-	-	-	(65,291)	(65,291)	-	-	(65,291)
At 31 January 2018 (Unaudited)	**1,099,490**	**-**	**(12,633)**	**34,351**	**-**	**(46,162)**	**1,962**	**96,690**	**826,703**	**2,000,401**	**632,162**	**595**	**2,633,158**

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 2018

	12 months ended	
	31.1.2018 Unaudited RM'000	**31.1.2017 Audited RM'000**
OPERATING ACTIVITIES		
Profit before tax from continuing operations	361,770	213,179
Profit before tax from discontinued operations	-	2,889
Profit before tax, total	361,770	216,068
Adjustments for:		
Amortisation and depreciation	224,302	111,000
Amortisation of unfavourable contracts	(20,435)	(19,938)
Unrealised loss/(gain) on foreign exchange	62,403	(26,953)
Finance costs	109,606	45,118
Loss on disposal of subsidiaries and associate	-	3,511
Gain on disposal on other investment	(433)	(784)
Gain on disposal of property, plant and equipment	(124)	-
(Reversal of)/impairment loss on trade and other receivables	(649)	32,349
Impairment loss on property, plant and equipment	32,793	11,630
Property, plant and equipment written off	37	2,387
Fair value loss on investment properties	5,623	-
Fair value gain on derivatives	(2,066)	-
Fair value (gain)/loss on other investment	(141)	857
Reversal of write down of inventories	-	(577)
Inventories written off	1,067	-
Share of results of joint ventures	(43,081)	(82,457)
Share of results of associates	(728)	(1,529)
Interest income	(4,905)	(5,927)
Operating cash flows before working capital changes	725,039	284,755
Receivables	(319,946)	64,543
Other current assets	(74,362)	(48,756)
Inventories	629	249
Payables	308,076	(271,180)
Cash flows from operations	639,436	29,611
Interest received	4,905	5,927
Interest paid	(118,297)	(45,118)
Tax paid	(56,094)	(44,716)
Net cash flows generated from/(used in) operating activities	**469,950**	**(54,296)**
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	161	3,310
Proceeds from disposal of other investment	-	61,626
Proceeds from disposal of subsidiaries	-	136,087
Addition in other investment	(54,933)	(10,955)
Addition in investment properties	-	(29,969)
Purchase of intangible assets	(2,644)	(6,798)
Purchase of property, plant and equipment	(420,368)	(1,348,703)
Investment in subsidiaries	(34,191)	-
Investment in joint ventures	(36,600)	-
Investment in associates	(113)	2,246
Dividend received	20,046	-
Withdrawal of fixed deposits for investment purpose	25	-
(Placement)/withdrawal of deposits pledged as security	(239,509)	104,631
Placement of short term investment	(12)	(12)
Net cash flows used in investing activities	**(768,138)**	**(1,088,537)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Twelve Months Year Ended 31 January 2018

	12 months ended	
	31.1.2018 Unaudited RM'000	31.1.2017 Audited RM'000
FINANCING ACTIVITIES		
Repayment to directors	-	(19,170)
Dividends paid	(65,269)	(180,868)
Proceeds from equity-settled share-based option	28	-
Drawdown of loans and borrowings	652,520	2,033,982
Repayment of loans and borrowings	(661,200)	(487,886)
Repayment of obligations under finance leases	(383)	(4,197)
Proceeds from issuance of perpetual securities	413,902	-
Repayment of perpetual securities	(219,200)	-
Perpetual securities distribution paid	(30,652)	(28,600)
Purchase of treasury shares	-	(12,633)
Net cash flows generated from financing activities	**89,746**	**1,300,628**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(208,442)	157,795
Effects of foreign exchange rate changes	(4,844)	135,817
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	504,581	210,969
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	**291,295**	**504,581**

	As at 31.1.2018 RM'000	As at 31.1.2017 RM'000
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances		
- Continuing operations	637,120	633,922
Bank overdrafts (included within short-term borrowings)		
- Continuing operations	-	(8,626)
	637,120	625,296
Short term investment	(348)	(337)
Deposits pledged to banks	(345,477)	(120,378)
	291,295	**504,581**

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 period ended 31 January 2018 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 2017. 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 2017 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 January 2017.

- Amendments to MRFS/FRS 107 "Statement of Cash Flows – Disclosure Initiative"
- Amendments to MFRS/FRS 112 "Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses"
- Annual Improvements to MFRSs $_{2014-2016}$ Cycle: MFRS 12 'Disclosures of Interests in Other Entities'

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 January 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"
- Amendments to MFRS 4 "Applying MFRS/FRS 9 "Financial Instruments" with MFRS 4 "Insurance Contracts"
- 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"

b) Effective for financial periods beginning on or after 1 January 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 January 2019 (continued)

The Directors expect that the adoption of the above standards and interpretations will either not relevant or do not have impact on the financial statements in the year of initial application except for MFRS 9, MFRS 15 and MFRS 16. The adoption of these new standards may result in change in accounting policies for which the effect of adopting will be quantified when the standards are effective.

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 period ended 31 January 2018 except for a joint venture company, PTSC Asia Pacific Pte Ltd (“PTSC AP”) was served a notice of termination for convenience on 31 March 2017 for its Bareboat Charter arrangement with PetroVietnam Technical Services Corporation (“PTSC”) at Lam Son Field. The Bareboat Charter was subsequently terminated at 2400 hours (Vietnam time) on 30 June 2017.

On 30 June 2017, PTSC AP received a letter of intent from PTSC (“LOI”) expressing its intention to continue deploy the FPSO PTSC Lam Son for the petroleum operations within the Lam Son Field with effect from 1 July 2017. The LOI is valid for a maximum period of 6 weeks from the LOI date. PTSC's LOI was accepted by PTSC AP and subsequently, the petroleum operations within Lam Son Field was taken over by PetroVietnam Exploration Production Corporation ("PVEP"). A new charter contract for the continued deployment of FPSO Lam Son at Lam Son Field is currently being negotiated between PTSC AP, PTSC and PVEP.

On 29 December 2017, PTSC AP received Termination Fee of USD209 million (net of bank transaction costs and tax) pursuant to the settlement and amendment agreement executed on 21 December 2017. On 2 January 2018, PTSC AP subsequently utilised the Termination Fee proceeds to fully repay the financing facility undertaken for this project. PTSC AP has applied Termination Fee to set-off against the net book value of FPSO PTSC Lam Son, in reassessing its recoverable amount.

On 26 March 2018, PTSC AP has entered into an interim contract with PTSC (“BBC Interim Contract”) to charter FPSO PTSC Lam Son for the petroleum operations within the Lam Son Field with effect from 1 July 2017 until 31 December 2018 (“Maximum Tenure”) or an earlier date if it is terminated pursuant to termination of the Time Charter Interim Contract or if a new charter contract is executed (thereby superseding the Interim Contract). The BBC Interim Contract is entered into pending the appointment of PVEP as the official operator of Lam Son Field.

4. **Changes in Accounting Estimate**

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

5. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period ended 31 January 2018 except for:

a) Yinson Heather Ltd ("YHL"), an indirect wholly-owned subsidiary of YHB, had on 27 December 2017, acquired from Four Vanguard Servicos E Navegacao LDA ("FVSN") 19,600,000 ordinary shares in Anteros Rainbow Offshore Pte. Ltd. ("ARO"), representing 49% equity interest of the issued and paid up share capital of ARO, for a consideration of USD9,000,000 (equivalent to approximately RM36,751,500).

Following the completion of the acquisition, ARO ceased to be a joint venture entity of YHB and became an indirect wholly-owned subsidiary of YHB.

6. Segmental Information

For the Twelve Months Year Ended 31 January 2018

	Offshore & Marine RM'000	Other Operations RM'000	Discontinued 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 results of joint ventures					43,081
Share of results of associates					728
Income tax expense					(69,697)
Profit after tax from continuing operations					292,073

For the Twelve Months Year Ended 31 January 2017

	Offshore & Marine RM'000	Other Operations RM'000	Discontinued Operations RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
Gross revenue	585,224	27,282	221,121	(290,372)	543,255
Elimination	(42,489)	(26,762)	(155)	69,406	-
Net revenue	542,735	520	220,966	(220,966)	543,255
Results					
Segment results	145,344	16,819	9,283	(9,283)	162,163
Finance costs					(32,314)
Share of results of joint ventures					82,457
Share of results of associates					873
Income tax expense					(18,706)
Profit after tax from continuing operations					194,473

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

<u>Continuing operations</u>

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.

6. Segmental Information (continued)

Discontinued operations include the following segments:

a) The transport segment consists of the provision of trucking services.
b) The trading segment consists of trading activities mainly in the construction related materials.
c) Other discontinued operations consist of provision of warehouses and rental from investment properties

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 period under review has increased by RM366.41 million to RM909.15 million as compared to RM542.74 million in the corresponding prior period ended 31 January 2017. The increase attributed mainly from higher offshore & marine business with the chartering commencement of FPSO John Agyekum Kufuor ("FPSO JAK") in June 2017 and the stronger US Dollar had resulted in the higher revenue on translation into Ringgit. The segment results increased by RM343.26 million mainly due to better profit contribution from the higher recorded revenue and lower impairment loss on trade and other receivables but set-off by impairment loss on property, plant & equipment and higher administrative overheads.

Other Operations

The segment turned into loss at RM63.10 million as compared to profit of RM16.82 million in the corresponding prior period ended 31 January 2017. The loss was mainly attributed to higher net unfavorable foreign exchange movement, impairment loss on investment properties and higher administrative overheads.

Discontinued Operations

Discontinued operations have ceased contributing to the Group upon completion of the divestment exercise on non-oil & gas subsidiaries in July 2016.

Results of Joint Ventures and Associates

The share of the results of joint ventures has decreased by RM39.38 million to profit of RM43.08 million for the period ended 31 January 2018 as compared to RM82.46 million for the corresponding prior period ended 31 January 2017 mainly due to the cessation of profit contribution from FPSO PTSC Lam Son petroleum operations at Lam Son Field since 1 July 2017 and scheduled contract chartering rate reduction for FSO PTSC Bien Dong 01.

The share of results of associates decreased to profit of RM0.73 million for the period ended 31 January 2018 as compared to a profit of RM0.87 million for the period ended 31 January 2017 mainly due to an associated company has been reclassified as the Company's subsidiary since June 2017.

Consolidated profit after tax

For the current year under review, the Group's profit after tax from continuing operations has increased by RM97.60 million or 50.19% to RM292.07 million as compared to RM194.47 million for the corresponding prior period ended 31 January 2017. The improvement was mainly attributable to the better profit contribution on higher recorded revenue from offshore & marine business and net lower impairment loss and recovery on trade and other receivables of RM33.00 million. The positive effects are set-off mainly by higher impairment loss in property, plant and equipment of RM21.16 million, fair value loss on investment properties of RM5.62 million, higher net unfavorable foreign exchange movement of RM43.69 million, lower share of results in joint ventures of RM39.38 million, higher finance cost of RM75.23 million and higher income tax expense of RM50.99 million.

6. Segmental Information (continued)

Consolidated financial position

For the current year under review, the Group’s current assets has increased by RM385.38 million or 43.55% to RM1,270.19 million from RM884.82 million for the last audited financial year ended 31 January 2017. The increase mainly due to higher trade and other receivables with the expanded offshore & marine business into Ghana through FPSO JAK chartering contract. Whereas, the Group’s current liabilities has increased by RM204.73 million or 35.34% to RM784.03 million from RM579.29 million for the last audited financial year ended 31 January 2017 mainly upon reclassification of certain loan maturity profile.

The Group’s liquidity indicators, Current Ratio (Calculated as “Current Assets” divided by “Current Liabilities”) improved to 1.62 times as compared to 1.53 times for the last audited financial year ended 31 January 2017 mainly due to higher trade and other receivables as a result of the expansion of offshore & marine business into Ghana; and Net Gearing Ratio (Calculated as “Total Loans and Borrowings” less “Cash and Bank Balances” divided by “Total Equity”) is 0.90 times as compared to 1.15 times for the last audited financial year ended 31 January 2017, improvement mainly attributed to loans and borrowings repayment and the successful issuance of USD100 million perpetual securities in October 2017.

7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2018 Unaudited RM'000	**31.1.2017 Unaudited RM'000**	**31.1.2018 Unaudited RM'000**	**31.1.2017 Audited RM'000**
Interest income	(1,509)	(2,835)	(4,905)	(5,927)
Other income including investment income	859	35,579	(8,460)	23,111
Bad debts recovered	-	-	-	(202)
Finance costs	55,563	14,420	109,606	45,118
Depreciation of property, plant and equipment	63,422	28,543	219,472	108,389
Amortisation of intangible assets	1,853	670	4,830	2,611
Amortisation of unfavourable contracts	(4,878)	(5,301)	(20,435)	(19,938)
Gain on disposal on property, plant and equipment	-	-	(124)	-
Gain on disposal on other investment	(18)	(589)	(433)	(784)
Loss on disposal of subsidiaries and associate	-	-	-	3,511
Impairment/(reversal of) loss on trade and other receivables	10	19,436	(649)	32,349
Reversal of impairment loss on available-for-sale financial assets	-	(755)	-	-
Impairment loss on property, plant and equipment	6,648	9,596	32,793	11,630
Fair value loss on investment properties	2,700	-	5,623	-
Property, plant and equipment written off	2	2,336	37	2,387
Gain on foreign exchange - realised	(54,091)	(6,139)	(49,114)	(3,446)
Loss/(gain) on foreign exchange - unrealised	50,707	(14,774)	62,403	(26,953)
Net fair value (gain)/loss on other investment	(5)	(741)	(141)	857
Net fair value gain on derivatives	(1,123)	-	(2,066)	-
Inventories written off	1,067	-	1,067	-
Reversal of write down of inventories	-	-	-	(577)

8. Income Tax Expense

The income tax expense figures consist of:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2018 Unaudited RM'000	**31.1.2017 Unaudited RM'000**	**31.1.2018 Unaudited RM'000**	**31.1.2017 Audited RM'000**
Continuing operations				
Current income tax	18,512	(4,757)	71,416	40,360
Deferred income tax	(1,711)	(16,161)	(1,719)	(21,654)
	16,801	(20,918)	69,697	18,706
Income tax attributable to discontinued operations	-	-	-	607
Total income tax expense	**16,801**	**(20,918)**	**69,697**	**19,313**

The effective tax rate of continuing operations for the year ended 31 January 2018 is lower than the statutory tax rate in Malaysia due to certain income of subsidiaries are not subject to taxation 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 parent by the weighted average number of shares outstanding during the financial period.

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	
	31.1.2018 Unaudited	**31.1.2017 Unaudited**	**31.1.2018 Unaudited**	**31.1.2017 Audited**
Profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	57,140	51,201	292,179	197,048
Weighted average number of ordinary shares in issue ('000)	1,076,363	1,088,191	1,088,201	1,090,185
Basic earnings per share (sen)	5.31	4.71	26.85	18.07

9. **Earnings Per Share (continued)**

(b) **Diluted**

Diluted earnings per share are calculated by dividing the Group's profit for the financial period 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	
	31.1.2018 Unaudited	**31.1.2017 Unaudited**	**31.1.2018 Unaudited**	**31.1.2017 Audited**
Adjusted profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	57,217	51,207	292,491	197,055
Weighted average number of ordinary shares in issue ('000)	1,076,363	1,088,191	1,088,201	1,090,185
Adjustments for ESS ('000)	3,790	308	3,790	77
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,080,153	1,088,499	1,091,991	1,090,262
Diluted earnings per share (sen)	5.30	4.70	26.79	18.07

10. **Acquisitions and disposals of property, plant and equipment**

There was no material acquisition and disposal during the current period under review except for the Group acquired property, plant and equipment ("PPE") with aggregate cost of RM470.55 million (31 January 2017: RM1,549.46 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

There were no issuances, repayment of debts, share cancellations and resale of treasury shares during the current financial period under review.

13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 January 2018 and 31 January 2017 are as follows:

	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
Obligations under finance lease	335	165	500
Sukuk	71,222	151,108	222,330
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**

	As at 31 January 2017		
	Short term RM'000	**Long term RM'000**	**Total borrowings RM'000**
Secured			
Term loans	168,797	3,122,802	3,291,599
Obligations under finance lease	309	488	797
	169,106	3,123,290	3,292,396
Unsecured			
Bank overdrafts	8,626	-	8,626
Revolving credits	44,622	47,529	92,151
	53,248	47,529	100,777
Total loans and borrowings	**222,354**	**3,170,819**	**3,393,173**

Except for the borrowings of RM2,723.36 million (31 January 2017: RM3,092.27 million) denominated in United States Dollar, all other borrowings are denominated in Ringgit Malaysia

Lower outstanding total loans and borrowings is mainly due to the Company making scheduled repayment on the term loan drawdown for the construction of FPSO JAK.

14. Dividend Paid

Dividend approved and paid in respect of ordinary shares:

	2018		2017	
	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 paid in respect of the financial year ended:				
- 31 January 2018	4.0	43,527	-	-
Final dividend paid in respect of the financial years ended:				
- 31 January 2017	2.0	21,764	-	-
- 31 January 2016	-	-	2.0	21,791
Special dividend paid in respect of the financial year ended:				
- 31 January 2017	-	-	14.6	159,077
Dividends recognised as distribution to ordinary equity holders of the Company	**6.0**	**65,291**	**16.6**	**180,868**

At the Annual General Meeting held on 6 July 2017, the shareholders of the Company have approved the payment of final single-tier dividend of 2.0 sen per share for the financial year ended 31 January 2017. The dividend was paid on 18 August 2017.

An interim single-tier dividend of 4.0 sen per ordinary share in respect of financial year ended 31 January 2018 has been declared on 27 September 2017 and was paid on 22 December 2017.

15. Capital Commitments

As at 31 January 2018, the capital commitment not provided for in the interim condensed financial statements is as follows:

- approved and contracted for – RM399.02 million
- approved but not contracted for – RM2.53 billion

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

There was no material event after the end of the current quarter except for the following:

a) On 2 March 2018, YHB had incorporated two indirect wholly-owned subsidiaries in the Republic of the Marshall Islands as follow:

   i). Yinson Ghacacia Ltd (“YGL”) is held through Yinson Acacia Ltd. The principal activity of YGL is investment holding.

   ii). Yinson Gazania Production Ltd (“YGPL”) is a 90% owned subsidiary of YGL. The principal activity of YGPL is provision of floating marine assets for chartering.

b) 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.

18. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative 12 months ended	
	31.1.2018 RM'000	**31.1.2017 RM'000**	**31.1.2018 RM'000**	**31.1.2017 RM'000**
With companies substantially owned by Directors, Lim Han Weng and Bah Kim Lian				
Rental income from Kargo Indera Sdn Bhd	34	-	79	-
Rental income from Yinson Tyres Sdn Bhd	-	-	-	30
Transport income from Liannex Corporation (S) Pte Ltd	-	-	-	797
Transport income from Liannex Corporation Sdn Bhd	-	-	-	1,955
Transport income from Handal Indah Sdn Bhd	-	-	-	1
Transport income from Waja Securities Sdn Bhd	-	-	-	21
Barge Income from Kargo indera Sdn Bhd	-	-	-	788
Purchases from Yinson Tyres Sdn Bhd	-	-	-	1,384
Management fee income from Liannex Corporation (S) Pte Ltd	-	250	750	250
Ship Management Fee from Liannex Corporation (S) Pte Ltd	64	-	240	-
Purchases on behalf of Liannex Corporation (S) Pte Ltd	49	-	278	-
With Joint Ventures				
Interest income from PTSC South East Asia Pte Ltd	34	586	1,127	2,086
Interest income from PTSC Asia Pacific Pte Ltd	-	31	12	118
With Associates				
Ship management fee to Regulus Offshore Sdn Bhd	-	1,517	848	3,183
Purchase from Regulus Offshore Sdn Bhd	-	1,131	2,044	5,202
Rental income from Regulus Offshore Sdn Bhd	-	-	-	63
Rental income from Yinson Energy Sdn Bhd	16	-	71	-
Management fee income from Regulus Offshore Sdn Bhd	-	-	10	-
Interest income from Regulus Offshore Sdn Bhd	-	27	28	77
Marine chartering income from Regulus Offshore Sdn Bhd	-	1,604	3,241	3,529
Consultancy fee to Yinson Energy Sdn Bhd	893	742	2,699	2,430
Interest income from Yinson Energy Sdn Bhd	6	3	22	12
Barge income from Kargo Indera Sdn Bhd	-	-	-	509

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 31.1.2018 RM'000	Immediate Preceding Quarter 31.10.2017 RM'000	Changes (Amount / %)	
Continuing operations				
Revenue	257,394	263,120	(5,726)	-2.18%
Direct expenses	(96,550)	(93,778)	(2,772)	2.96%
Gross profit	160,844	169,342	(8,498)	-5.02%
Other operating income/(expenses)	51,738	(4,962)	56,700	-1142.68%
Administrative expenses	(79,905)	(28,469)	(51,436)	180.67%
Profit from operations	132,677	135,911	(3,234)	-2.38%
Finance costs	(54,440)	(30,155)	(24,285)	80.53%
Share of results of joint ventures	(4,311)	886	(5,197)	-586.57%
Share of results of associates	(127)	94	(221)	-235.11%
Profit before tax from continuing operations	73,799	106,736	(32,937)	-30.86%
Income tax expense	(16,801)	(15,514)	(1,287)	8.30%
Profit after tax from continuing operations	56,998	91,222	(34,224)	-37.52%

The Group's profit before tax from continuing operations for the fourth quarter of current financial year has decreased by 30.86% or RM32.94 million to RM73.80 million as compared to the RM106.74 million in the preceding quarter. The decrease was mainly originated from lower sales and weaker foreign currency translation effect of RM5.73 million, higher operation expenses of RM2.77 million, higher finance costs incurred of RM24.29 million and short-fall in share of results of joint ventures of RM5.20 million set-off by net favorable foreign exchange movement of RM4.23 million.

21. Commentary on Prospects

The short-term to medium-term outlook in the oil and gas sector remains challenging and uncertain due to protracted oversupply, emerging new alternative energy resources and financial institutions risk appetite towards the sector. Overall current global economic and political conditions remain challenging, with higher downside risks. Global economic activity is expected to remain subdued despite unprecedented easing of monetary conditions in major economies. Amid the challenging global economic environment and the volatility of other currencies against USD, the Group shall strive to achieve satisfactory results for the financial year ending 31 January 2019.

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

The corporate proposal announced but not completed as at the date of issue of the quarterly report is as follow:

i. Contract award for Ca Rong Do Field development – Block 07/03 Offshore Vietnam ("Contract")

On 26 April 2017, Yinson Clover Ltd ("YCL"), an indirect wholly-owned subsidiary of YHB had entered into the Contract with Talisman Vietnam 07/03 B.V. ("TLV"). As a requirement under the bid for the Contract, YCL had also on even date entered into a novation agreement with TLV and PetroVietnam Technical Services Corporation ("PTSC") for the novation of all rights and liabilities under the Contract to PTSC.

The Contract is a time charter contract comprising the bareboat scope of work ("Bareboat SOW") and operation and maintenance of the Floating Production Storage and Offloading ("FPSO"). It is the intention of PTSC and YCL to jointly undertake the execution and performance of the Bareboat SOW via a joint venture company ("JVC"), PTSC Ca Rong Do Ltd which has been duly incorporated on 5 December 2017 with PTSC holds 51% and YCL holds 49% of the equity stake in the JVC. The JVC will enter into a bareboat charter contract with PTSC for the Bareboat SOW.

The FPSO is to be chartered on a time charter basis for a firm period of ten years ("Firm Charter Period") with five extension options of one year each exercisable by TLV upon completion of the Firm Charter Period. The Firm Charter Period is expected to commence from August 2019. The estimated aggregate value of the bareboat charter contract is approximately USD1.00 billion (equivalent to approximately RM4.40 billion) for the entire fifteen-year charter inclusive of all five yearly extension options.

During the extraordinary general meeting held on 6 July 2017, the shareholders of YHB have approved the proposed joint venture and provision of financial assistance to the JVC.

ii. Proposed disposal of 26% equity interest of Yinson Production (West Africa) Pte Ltd ("YPWAPL") to a consortium of Japanese companies (the "Consortium")

YPWAPL, an indirect wholly-owned subsidiary of YHB, had on 30 June 2017 entered into a Heads of Agreement ("HOA") with a consortium of Japan-incorporated companies for a proposed disposal of 26% equity interest of YPWAPL via Yinson Trillium Limited ("YTL") and Yinson Production Pte Ltd. The consideration is expected to be in the range of USD104 million to USD117 million, subject to adjustments and contract.

The HOA was entered to form a collaboration through YPWAPL in relation to the chartering of a floating production, storage and offloading ("FPSO") facility by eni ghana exploration and production ltd ("Eni Ghana") at Offshore Cape Three Point Block in Ghana. The FPSO, named as FPSO John Agyekum Kufuor, had produced its first oil on 22 May 2017.

23. Status of Corporate Proposals (continued)

The corporate proposal announced but not completed as at the date of issue of the quarterly report is as follow (continued):

ii. Proposed disposal of 26% equity interest of Yinson Production (West Africa) Pte Ltd ("YPWAPL") to a consortium of Japanese companies (the "Consortium") (continued)

Subsequently, YTL had on 21 November 2017 executed a conditional share purchase agreement ("SPA") with the following parties:
(a) Japan Sankofa Offshore Production Pte. Ltd. as the purchaser;
(b) YHB as the seller guarantor ("Seller Guarantor"); and
(c) Sumitomo Corporation ("Sumitomo") as a purchaser guarantor;
(d) Kawasaki Kisen Kaisha, Ltd (""K" Line") as a purchaser guarantor;
(e) JGC Corporation ("JGC") as a purchaser guarantor; and
(f) Development Bank of Japan Inc. ("DBJ") as a purchaser guarantor

for the proposed disposal of 26% equity interest in YPWAPL to the Purchaser for a total cash consideration of a maximum of US$117.00 million (equivalent to approximately RM 488.53million) ("Proposed Disposal")

The Proposed Disposal is an opportunity for the YHB Group to partially monetise its investment in YPWAPL at an attractive price, and free up the Group's financial resources to expand and bid for future projects, while at the same time, enabling the Group to continue participating and benefitting from the prospects of YP(WA)PL and the Ghana FPSO project, as YHB will still have an effective 74% equity interest and retain management control in YPWAPL by consolidation as a subsidiary upon the Proposed Disposal.

The strategic partnership with 4 established and prominent institutions, namely (i) Sumitomo, a Japanese conglomerate with diversified businesses, (ii) "K" Line, one of the largest Japanese shipping companies, (iii) JGC, an international engineering, procurement and construction player, specialising in the oil and gas sector, and (iv) DBJ, a A1/A rated Japanese bank owned by the Government of Japan, provides a tremendous opportunity to build a long term relationship with each other, on which the parties may potentially leverage as a consortium to bid for future projects.

Completion of the Proposed Disposal is currently pending conditions precedent fulfilment by all parties on or before 30 June 2018.

iii. Proposed novation of contract for provision of EPCIC and leasing for Layang FPSO facilities dated 27 November 2014 between JX Nippon Oil & Gas Exploration (Malaysia) Limited ("Nippon") and TH Heavy Engineering Berhad ("THHE") to Yinson Energy

On 29 November 2017, Yinson Energy Sdn Bhd ("Yinson Energy"), an associate company of YHB, acting on behalf of YHB, has affirmed affidavits and extended copies thereof to the High Court of Malaya at Kuala Lumpur in connection with an application made by THHE to enter into and complete a proposed novation of the EPCIC and leasing contract for a floating production storage and offloading facility (FPSO) dated 27 November 2014 between Nippon and THHE, to Yinson Energy ("Proposed Novation").

The contract is for the engineering, procurement, construction, installation and commission and leasing of a FPSO to be deployed at the Layang field in Block SK10, offshore Miri, Sarawak.

The proposed novation will be subjected to the satisfaction of conditions precedent, which includes a court order being obtained by THHE, and Yinson Energy is to have no liability or responsibility whatsoever to Nippon or THHE for any loss or liability arising in relation to matters prior to the complete satisfaction (or waiver) or all such conditions precedent.

23. Status of Corporate Proposals (continued)

The corporate proposal announced but not completed as at the date of issue of the quarterly report is as follow (continued):

iii. Proposed novation of contract for provision of EPCIC and leasing for Layang FPSO facilities dated 27 November 2014 between JX Nippon Oil & Gas Exploration (Malaysia) Limited ("Nippon") and TH Heavy Engineering Berhad ("THHE") to Yinson Energy (continued)

On 21 December 2017, the High Court of Malaya at Kuala Lumpur has granted to THHE such an order under Section 368(4) of the Companies Act 2016 for leave to enter into the Proposed Novation ("Validation Order").

On 12 February 2018, the Court of Appeal dismissed the appeal by Globalmariner Offshore Services Sdn. Bhd. ("GMOS") against the Validation Order.

On 22 February 2018, GMOS filed an application for leave to appeal to the Federal Court in relation to the dismissal by the Court of Appeal. The application is now pending hearing and the novation agreement in relation to the Proposed Novation is being finalised amongst Yinson Energy, Nippon and THHE.

iv. Establishment of a Perpetual Senior Sukuk Mudharabah and Subordinated Sukuk Mudharabah (collectively as "Sukuk Mudharabah") Programme of RM1.5 billion

On 14 February 2018, Yinson TMC Sdn Bhd ("YTMC"), a wholly-owned subsidiary of YHB has made a lodgement to the Securities Commission Malaysia ("SC") for the establishment of a RM1.5 billion Sukuk Mudharabah Programme ("Programme") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

The Programme shall have a perpetual tenure, unrated and is structured based on the Shariah principle of Mudharabah.

Proceeds from the issuance are to be used for the Group's general corporate purpose, refinance the Group's outstanding loans and borrowings and for defray fees, cost and expenses in relation to the issuance of the Programme.

At the date of this report, no issuance has been made.

24. Material Litigation

As at 31 January 2018, there was no material litigation against the Group since the last audited financial statements.

25. Dividend Payable

The Board of Directors has declared a special dividend of 4 sen per ordinary share for the financial year ended 31 January 2018, amounting to approximately RM43.5 million, which is payable on 8 June 2018. The entitlement date for the dividend payment is 23 May 2018.

In addition, the Board of Directors recommends a final single-tier dividend of 2.0 sen per share for the financial year ended 31 January 2018. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting. The entitlement date for the final single-tier dividend shall be determined by the Board of Directors at a later date.

26. Derivatives

Details of derivative financial instruments outstanding as at 31 January 2018 are as follows: -

Types of derivatives	Contract / Notional Amount	Fair Value Assets/ (Liabilities)
	RM'000	RM'000
Interest rate swaps		
1 to 3 years	194,925	1,640
More than 3 years	2,586,655	(46,162)

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 a floating rate term loans: -

i. contract amounting to RM194.93 million that receives floating interest at 3 months US$ LIBOR and pays fixed interest at 1.58% p.a.; and

ii. contracts amounting to RM2,586.66 million that receive floating interest at 3 months US$ LIBOR and pays fixed interest at 2.88% p.a.

The interest rate swaps have similar maturity terms as the term loans.

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 2018, the net fair value gain on interest rate swap derivative measured at fair value through profit and loss is RM2.07 million.

For item ii, 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 2018, the net fair value gain on interest rate swap derivative measured at fair value through the reserve is RM55.87 million.

27. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the year ended 31 January 2017 was not qualified.

28. Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 March 2018.