

YTL POWER INTERNATIONAL BERHAD
Company No. 199601034332 (406684-H)
Incorporated in Malaysia

Interim Financial Report
31 March 2024

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YTL POWER INTERNATIONAL BERHAD
[Company No. 199601034332 (406684-H)]
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial period ended 31 March 2024.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.3.2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.3.2023 RM'000	9 MONTHS ENDED	
			31.3.2024 RM'000	31.3.2023 RM'000
Revenue	5,159,845	5,357,460	15,979,148	14,804,705
Cost of sales	(3,845,291)	(4,233,597)	(11,526,122)	(12,384,501)
Gross profit	1,314,554	1,123,863	4,453,026	2,420,204
Other operating income	56,933	20,919	114,258	42,765
Other operating expenses	(205,183)	(148,309)	(526,601)	(437,376)
Profit from operations	1,166,304	996,473	4,040,683	2,025,593
Finance costs	(439,080)	(432,852)	(1,382,660)	(1,143,513)
Share of profits of investments accounted for using the equity method	91,940	46,776	217,446	209,157
Profit before taxation	819,164	610,397	2,875,469	1,091,237
Taxation	(137,698)	(102,756)	(483,547)	(225,256)
Profit for the period	681,466	507,641	2,391,922	865,981
Attributable to:				
Owners of the parent	698,689	519,637	2,391,715	891,741
Non-controlling interests	(17,223)	(11,996)	207	(25,760)
	681,466	507,641	2,391,922	865,981
Earnings per share attributable to owners of the parent				
Basic (sen)	8.62	6.41	29.52	11.01
Diluted (sen)	8.43	6.36	28.89	10.92

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

YTL POWER INTERNATIONAL BERHAD
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(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.3.2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.3.2023 RM'000	9 MONTHS ENDED 31.3.2024 RM'000	
Profit for the period	681,466	507,641	2,391,922	865,981
Other comprehensive income/(loss):				
<i>Items that will not be reclassified subsequently to income statement:</i>				
Financial assets at fair value through other comprehensive income	57,863	1,089	139,760	173
<i>Items that may be reclassified subsequently to income statement:</i>				
Cash flow hedges:				
- subsidiaries	189,747	(24,181)	230,684	(614,157)
- associates and joint ventures	(3,709)	(16,303)	(25,851)	38,962
Currency translation differences:				
- subsidiaries	113,854	236,736	197,777	440,559
- associates and joint ventures	51,229	(643)	21,067	8,850
	-----	-----	-----	-----
Other comprehensive income/(loss) for the period, net of tax	408,984	196,698	563,437	(125,613)
	-----	-----	-----	-----
Total comprehensive income for the period	<u><u>1,090,450</u></u>	<u><u>704,339</u></u>	<u><u>2,955,359</u></u>	<u><u>740,368</u></u>
Attributable to:				
Owners of the parent	1,088,277	716,848	2,946,814	764,768
Non-controlling interests	2,173	(12,509)	8,545	(24,400)
	-----	-----	-----	-----
	<u><u>1,090,450</u></u>	<u><u>704,339</u></u>	<u><u>2,955,359</u></u>	<u><u>740,368</u></u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

YTL POWER INTERNATIONAL BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED	AUDITED
	As at	As at
	31.3.2024	30.6.2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	30,489,874	28,505,180
Investment properties	568,521	579,786
Intangible assets	9,514,868	9,410,685
Right-of-use assets	410,163	445,676
Post-employment benefit assets	65,495	64,314
Investments accounted for using the equity method	2,011,622	1,956,231
Investments	593,066	272,460
Derivative financial instruments	9,564	2,879
Receivables, deposits and prepayments	2,900,673	2,839,195
	-----	-----
	46,563,846	44,076,406
	-----	-----
Current assets		
Inventories	857,236	593,155
Investments	1,244,795	1,236,200
Receivables, deposits and prepayments	4,237,107	4,207,996
Derivative financial instruments	122,652	18,824
Cash and bank balances	8,764,508	8,999,425
	-----	-----
	15,226,298	15,055,600
	-----	-----
TOTAL ASSETS	61,790,144	59,132,006
	=====	=====
EQUITY AND LIABILITIES		
Share capital	7,039,661	7,038,587
Reserves	12,408,637	9,733,170
	-----	-----
Equity attributable to owners of the parent	19,448,298	16,771,757
Non-controlling interests	(480,107)	(370,886)
	-----	-----
TOTAL EQUITY	18,968,191	16,400,871
	-----	-----

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - Continued

	UNAUDITED	AUDITED
	As at	As at
	31.3.2024	30.6.2023
	RM'000	RM'000
LIABILITIES		
Non-current liabilities		
Deferred taxation	3,333,978	3,340,624
Borrowings	29,381,295	27,482,356
Lease liabilities	290,528	292,556
Post-employment benefit obligations	18,064	17,141
Grants and contributions	733,877	699,024
Derivative financial instruments	2,739	9,654
Payables	1,972,606	1,861,784
	-----	-----
	35,733,087	33,703,139
	-----	-----
Current liabilities		
Payables and accrued expenses	4,513,161	4,426,426
Derivative financial instruments	19,949	110,828
Post-employment benefit obligations	785	707
Taxation	521,436	379,038
Borrowings	1,954,249	4,001,945
Lease liabilities	79,286	109,052
	-----	-----
	7,088,866	9,027,996
	-----	-----
TOTAL LIABILITIES	42,821,953	42,731,135
	-----	-----
TOTAL EQUITY AND LIABILITIES	61,790,144	59,132,006
	=====	=====
Net assets per share attributable to ordinary equity holders of the parent (RM)	2.40	2.07
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	-----Attributable to Owners of the Parent-----				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger & Other Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000			
At 1 July 2023	7,038,587	130,792	(46,734)	9,649,112	16,771,757	(370,886)	16,400,871
Profit for the financial period	-	-	-	2,391,715	2,391,715	207	2,391,922
Other comprehensive income for the financial period	-	555,099	-	-	555,099	8,338	563,437
Total comprehensive income for the financial period	-	555,099	-	2,391,715	2,946,814	8,545	2,955,359
Effects arising from changes in composition of the Group	-	-	-	(1,257)	(1,257)	2	(1,255)
Exercise of share options	1,074	-	-	-	1,074	-	1,074
Dividends paid to non-controlling interests	-	-	-	-	-	(117,768)	(117,768)
Second interim dividend paid for the financial year ended 30 June 2023	-	-	-	(283,575)	(283,575)	-	(283,575)
Share option expenses	-	13,485	-	-	13,485	-	13,485
At 31 March 2024	<u>7,039,661</u>	<u>699,376</u>	<u>(46,734)</u>	<u>11,755,995</u>	<u>19,448,298</u>	<u>(480,107)</u>	<u>18,968,191</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	-----Attributable to Owners of the Parent-----				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger & Other Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000			
At 1 July 2022	7,038,587	(693,312)	(46,733)	8,016,080	14,314,622	(257,465)	14,057,157
Profit/(Loss) for the financial period	-	-	-	891,741	891,741	(25,760)	865,981
Other comprehensive (loss)/income for the financial period	-	(126,973)	-	-	(126,973)	1,360	(125,613)
Total comprehensive (loss)/income for the financial period	-	(126,973)	-	891,741	764,768	(24,400)	740,368
Effects arising from changes in composition of the Group	-	-	-	25	25	(25)	-
Dividends paid to non-controlling interests	-	-	-	-	-	(116,551)	(116,551)
Interim dividend paid for the financial year ended 30 June 2022	-	-	-	(202,554)	(202,554)	-	(202,554)
Share option expenses	-	6,929	-	-	6,929	-	6,929
Share repurchased	-	-	(1)	-	(1)	-	(1)
At 31 March 2023	7,038,587	(813,356)	(46,734)	8,705,292	14,883,789	(398,441)	14,485,348

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	9 MONTHS ENDED	
	31.3.2024	31.3.2023
	RM'000	RM'000
Cash flows from operating activities		
Profit for the financial period	2,391,922	865,981
Adjustments for:		
Allowance for impairment of an associate	302	269
Allowance for impairment of intangible assets	8,637	-
Allowance for/(Write back of) impairment of inventories	1,298	(221)
Allowance for impairment of receivables (net of reversals)	73,912	65,258
Amortisation of contract costs	1,345	746
Amortisation of deferred income	(13,546)	(11,951)
Amortisation of grants and contributions	(4,422)	(4,138)
Amortisation of intangible assets	50,085	47,764
Bad debts recovered	(750)	(1,487)
Depreciation of property, plant and equipment	826,658	735,027
Depreciation of right-of-use assets	94,324	106,320
Fair value (gain)/loss on investments	(1,662)	16,062
Interest expense	1,382,660	1,143,513
Interest income	(37,033)	(9,386)
Net gain on disposal of property, plant and equipment	(9,372)	(9,882)
Property, plant and equipment written off	2,506	4,171
Provision for post-employment benefit	28,032	35,972
Share of profits of investments accounted for using the equity method	(217,446)	(209,157)
Share option expenses	13,290	6,416
Taxation	483,547	225,256
Unrealised gain on foreign exchange	(32,303)	(12,005)
Other non-cash items	(1,565)	(1,182)
	5,040,419	2,993,346
Changes in working capital:		
Inventories	(254,821)	(43,821)
Receivables, deposits and prepayments	(114,821)	(345,262)
Payables and accrued expenses	(97,524)	551,225
Cash flows from operations	4,573,253	3,155,488
Interest paid	(909,483)	(788,000)
Payment to post-employment benefit obligations	(26,960)	(123,425)
Tax paid	(337,965)	(127,330)
Net cash flows from operating activities	3,298,845	2,116,733

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 – Continued

	9 MONTHS ENDED	
	31.3.2024	31.3.2023
	RM'000	RM'000
Cash flows from investing activities		
Additional investments	(180,027)	-
Additional investment accounted for using the equity method	(28,975)	(269)
Decrease in deposits maturing more than 90 days	264,677	-
Dividends received	290,686	287,544
Grants received	26,242	24,430
Increase in shareholder loans	-	(166,753)
Interest received	36,917	8,431
Maturities/(Placements) of income funds	31,652	(415,000)
Proceeds from disposal of property, plant and equipment	17,102	30,183
Purchase of intangible assets	(32,865)	(48,357)
Purchase of property, plant and equipment	(2,590,471)	(1,639,761)
Repayments for participation investment	179,316	-
Net cash flows used in investing activities	<u>(1,985,746)</u>	<u>(1,919,552)</u>
Cash flows from financing activities		
Dividend paid	(283,575)	(202,554)
Dividends paid to non-controlling interests	(117,768)	(116,551)
Proceeds from borrowings	5,503,434	5,878,193
Proceeds from issue of shares	1,074	-
Repayment of borrowings	(6,355,307)	(3,642,681)
Repayment of lease liabilities	(101,885)	(115,414)
Repurchase of own shares	-	(1)
Net cash flows (used in)/from financing activities	<u>(1,354,027)</u>	<u>1,800,992</u>
Net changes in cash and cash equivalents	(40,928)	1,998,173
Effects of exchange rate changes	55,704	102,686
Cash and cash equivalents at beginning of the financial year	8,727,082	6,784,224
Cash and cash equivalents at end of the financial period <i>[Note a]</i>	<u>8,741,858</u>	<u>8,885,083</u>

[Note a]

Cash and cash equivalents at the end of the financial period comprise:

	RM'000	RM'000
Fixed deposits	8,036,355	6,667,035
Cash and bank balances	728,153	2,265,382
Bank overdrafts	(22,650)	(47,334)
(included within short term borrowing in Note B9)		
	<u>8,741,858</u>	<u>8,885,083</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes to the interim financial statements.

INTERIM FINANCIAL REPORT

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2023.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2023.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2023.

The amendments to MFRSs which were effective for financial year beginning on or after 1 July 2023 do not have significant financial impact to the Group.

A2. Seasonality or Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factor.

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INTERIM FINANCIAL REPORT

Notes – continued

A3. Disaggregation of Revenue

	Individual Quarter		Cumulative Quarter	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	RM'000	RM'000	RM'000	RM'000
Power Generation				
- Sale of electricity	3,439,148	4,026,923	10,757,768	10,700,340
- Sale of steam	69,891	58,501	217,468	176,659
- Others	63,641	34,705	144,575	93,541
	<u>3,572,680</u>	<u>4,120,129</u>	<u>11,119,811</u>	<u>10,970,540</u>
Water & Sewerage				
- Supply of clean water and treatment and disposal of waste water	1,236,768	995,540	3,643,503	3,084,516
Telecommunications				
- Sale of devices	36,881	5,515	105,714	24,823
- Telecommunication services	28,003	62,161	251,389	235,747
- Telecommunication infrastructure	31,879	41,608	104,833	100,290
	<u>96,763</u>	<u>109,284</u>	<u>461,936</u>	<u>360,860</u>
Investment holding activities				
- Investment income	171,743	72,227	510,582	174,462
- Management, operation and maintenance fees	32,412	19,204	91,164	52,904
- Others	49,479	41,076	152,152	161,423
	<u>253,634</u>	<u>132,507</u>	<u>753,898</u>	<u>388,789</u>
	<u>5,159,845</u>	<u>5,357,460</u>	<u>15,979,148</u>	<u>14,804,705</u>

A4. Unusual Items

For the current financial year to date, there was no item of unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in Estimates of Amounts Reported

There was no significant change to estimate of amount reported in prior interim periods or prior financial years.

INTERIM FINANCIAL REPORT

Notes – continued

A6. Changes in Debt and Equity Securities

No share was repurchased from the open market for the current financial quarter and financial year to date. As at 31 March 2024, the number of treasury shares held was 56,054,431 ordinary shares.

For the current financial quarter and financial year to date, 1,919,000 ordinary shares were issued pursuant to the exercise of employee's share options granted under the Company's Employees Share Option Scheme ("ESOS") 2021 at an exercise price of RM0.56 per share.

On 30 July 2023, 3.52% Retail Price Index Guaranteed Bonds of a subsidiary of the Company amounting to RM532.3 million (GBP90.5 million) was fully repaid.

On 24 August 2023, the Company issued four tranches of Islamic Medium Term Notes of RM200.0 million, RM300.0 million, RM400.0 million and RM500.0 million totalling RM1.4 billion bearing profit rates of 4.30% p.a., 4.45% p.a., 4.62% p.a. and 4.74% p.a., respectively under the Islamic Commercial Papers ("ICP")/Islamic Medium Term Notes ("IMTN") programme of up to RM7.5 billion ("ICP/IMTN Programme"). The proceeds of the issuance were partially utilised to repay the Company's outstanding MTN of RM500.0 million. The remaining proceeds will be utilised for refinancing, to finance future project/investments and/or general corporate purposes.

On 8 November 2023, a subsidiary of the Company issued four tranches of Fixed Rate Bonds totalling RM1.2 billion (GBP200.0 million) all bearing a coupon of 6.50% p.a. and maturing between 2033 and 2043. The proceeds of the issuance were utilised to finance capital expenditure and refinance borrowings.

On 18 March 2024, the Company issued two tranches of Islamic Medium Term Notes of RM500.0 million totalling RM1.0 billion bearing profit rates of 4.18% p.a. and 4.21% p.a., respectively under the Islamic Commercial Papers ("ICP")/Islamic Medium Term Notes ("ITMN") programme of up to RM7.5 billion ("ICP/IMTN Programme"). The proceeds of the issuance will be utilised for refinancing, to finance future project/investments and/or general corporate purposes.

The outstanding debts are as disclosed in Note B9.

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INTERIM FINANCIAL REPORT

Notes – continued

A7. Dividends Paid

The following dividend payment was made during the financial period ended 31 March 2024:-

	<u>RM'000</u>
In respect of the financial year ended 30 June 2023:	
Second interim dividend of 3.5 sen per ordinary share paid on 29 November 2023	<u>283,575</u>

A8. Segment Information

The Group has four reportable segments as described below:

- a) Power Generation
- b) Water and Sewerage
- c) Telecommunications
- d) Investment holding activities

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

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Notes – continued

Segment information for the financial period ended 31 March 2024:

	Power Generation RM'000	Water & Sewerage RM'000	Tele- communications RM'000	Investment holding activities RM'000	Group RM'000
Total Revenue	11,119,811	3,664,207	462,302	758,832	16,005,152
Inter-segment elimination	-	(20,704)	(366)	(4,934)	(26,004)
External Revenue	11,119,811	3,643,503	461,936	753,898	15,979,148
Segment profit/(loss) before tax	2,901,494	(155,467)	(260,573)	390,015	2,875,469
Finance costs					1,382,660
Depreciation and amortisation					954,444
EBITDA*					5,212,573

*Included is a fair value gain of RM1.7 million and allowance for impairment of RM84.1 million.

Segment information for the financial period ended 31 March 2023:

	Power Generation RM'000	Water & Sewerage RM'000	Tele- communications RM'000	Investment holding activities RM'000	Group RM'000
Total Revenue	10,970,540	3,097,873	361,137	394,485	14,824,035
Inter-segment elimination	-	(13,357)	(277)	(5,696)	(19,330)
External Revenue	10,970,540	3,084,516	360,860	388,789	14,804,705
Segment profit/(loss) before tax	1,397,771	(37,834)	(259,103)	(9,597)	1,091,237
Finance costs					1,143,513
Depreciation and amortisation					873,768
EBITDA*					3,108,518

*Included is a fair value loss of RM16.1 million and allowance for impairment of RM65.3 million.

INTERIM FINANCIAL REPORT

Notes – continued

A9. Events After the Interim Period

There was no item, transaction or event of a material or unusual nature during the period from the end of the quarter under review to the date of this report.

A10. Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the current financial period ended 31 March 2024, including business combinations, obtaining or losing control of subsidiaries and long-term investments, restructurings and discontinuing operations.

A11. Changes in Contingent Liabilities

There were no material changes in the contingent liabilities of the Group since the last financial year ended 30 June 2023.

A12. Fair Value Measurement

The Group measures fair value using the following fair value hierarchy that reflects the significance of the input used in making the measurements:

- a) Level 1 – quoted price (unadjusted) in active market for identical assets or liabilities;
- b) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- c) Level 3 – inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group’s assets and liabilities that are measured at fair value as at:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31.3.2024				
Assets				
Financial assets at fair value through profit or loss:				
- Income funds	-	1,244,795	-	1,244,795
- Equity investments	-	77,648	-	77,648
Financial assets at fair value through other comprehensive income	357,970	51	157,397	515,418
Derivatives used for hedging	-	132,216	-	132,216
Total assets	357,970	1,454,710	157,397	1,970,077
Liabilities				
Derivatives used for hedging	-	22,688	-	22,688
Total liabilities	-	22,688	-	22,688

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

B1. Review of the Results

The comparison of the results is tabulated below:

	Individual Quarter		Variance %	Cumulative Quarter		Variance %
	31.3.2024 RM'000	31.3.2023 RM'000		31.3.2024 RM'000	31.3.2023 RM'000	
Revenue						
Power Generation	3,572,680	4,120,129	-13.3	11,119,811	10,970,540	+1.4
Water & Sewerage	1,236,768	995,540	+24.2	3,643,503	3,084,516	+18.1
Telecommunications	96,763	109,284	-11.5	461,936	360,860	+28.0
Investment holding activities	253,634	132,507	+91.4	753,898	388,789	+93.9
	<u>5,159,845</u>	<u>5,357,460</u>	-3.7	<u>15,979,148</u>	<u>14,804,705</u>	+7.9
Profit/(Loss) before taxation						
Power Generation	842,757	806,372	+4.5	2,901,494	1,397,771	>100.0
Water & Sewerage	(51,230)	(47,181)	-8.6	(155,467)	(37,834)	->100.0
Telecommunications	(123,055)	(103,185)	-19.3	(260,573)	(259,103)	-0.6
Investment holding activities	150,692	(45,609)	>100.0	390,015	(9,597)	>100.0
	<u>819,164</u>	<u>610,397</u>	+34.2	<u>2,875,469</u>	<u>1,091,237</u>	>100.0

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a) Current Quarter vs Preceding Year Corresponding Quarter

The Group's profit before taxation increased to RM819.2 million for the current financial quarter, representing an increase of 34.2% or RM208.8 million as compared to RM610.4 million recorded in the preceding year corresponding quarter.

The Group recorded lower revenue of RM5,159.8 million for the current financial quarter ended 31 March 2024, representing a decrease of RM197.7 million or 3.7% as compared to RM5,357.5 million recorded in the preceding year corresponding quarter.

The performance of the respective operating business segments for the current financial quarter ended 31 March 2024 as compared to the preceding year corresponding quarter is analysed as follows:

Power Generation

The increase in profit before taxation was mainly due to lower interest expenses following loan repayments and strengthening of Singapore Dollar against Ringgit Malaysia.

The decrease in revenue was mainly due to the lower pool price.

Water & Sewerage

The higher revenue was contributed primarily from new contracts secured within the non-household retail market and an increase in price as allowed by the regulator, coupled with strengthening of Great Britain Pound against Ringgit Malaysia.

The higher loss before taxation was mainly due to an increase in depreciation charges following a higher capex programme. However, this segment still recorded an increase in EBITDA for the current quarter.

Telecommunications

The higher loss before taxation and decrease in revenue was mainly due to lower project revenue recorded.

Investment holding activities

The improvement in profit before taxation was mainly due to higher interest income, higher share of profits from the joint venture entities related to the Jordan project and higher foreign exchange gain.

The increase in revenue was mainly due to higher interest income as mentioned above.

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b) Current Year to date vs Preceding Year to date

The Group’s profit before taxation for the current financial period increased to RM2,875.5 million, representing an increase of 163.5% or RM1,784.3 million as compared to RM1,091.2 million recorded in the preceding year corresponding period, principally attributable to better performance in the Power Generation segment.

The Group recorded higher revenue of RM15,979.1 million for the current financial period ended 31 March 2024, representing an increase of RM1,174.4 million or 7.9% as compared to RM14,804.7 million recorded in the preceding financial period ended 31 March 2023.

The performance of the respective operating business segments for the period ended 31 March 2024 as compared to the preceding year corresponding period was consistent with the notes mentioned in (a) above with the exception of the business segments mentioned below:

Power Generation

The increase in profit before taxation was mainly due to better margins and strengthening of Singapore Dollar against Ringgit Malaysia.

The increase in revenue was mainly due to strengthening of Singapore Dollar against Ringgit Malaysia.

Water & Sewerage

The segment recorded an increase in EBITDA for the current period. However, the higher loss before taxation was mainly due to higher interest accruals on index-link bonds of RM423.1 million (GBP71.9 million) in the current period as compared to RM313.7 million (GBP58.8 million) in the preceding year corresponding period. The regulated asset base value as at 31 March 2024 increased to GBP4,294.2 million from GBP4,125.0 million as at 30 June 2023, representing an increase of 4.1%.

The higher revenue was contributed primarily from new contracts secured within the non-household retail market and an increase in price as allowed by the regulator, coupled with strengthening of Great Britain Pound against Ringgit Malaysia.

Telecommunications

The higher revenue was mainly due to higher project revenue recorded. Whilst, loss before taxation approximated that of the preceding year corresponding period.

B2. Comparison with Preceding Quarter

	Current Quarter 31.3.2024 RM'000	Preceding Quarter 31.12.2023 RM'000	Variance % +/-
Revenue	5,159,845	5,373,559	-4.0
Consolidated profit before taxation	819,164	1,024,818	-20.1
Consolidated profit after taxation	681,466	860,156	-20.8

The decrease in revenue and profit before taxation was mainly due to lower pool prices and retail margin recorded as compared to the preceding quarter by the Power Generation segment.

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B3. Prospects

The prospects of the respective business segments of the Group for the financial period ended 31 March 2024 are set out below:

Power Generation

YTL PowerSeraya Pte. Limited (“YTL PowerSeraya”), a wholly-owned subsidiary of the Company and TNB Power Generation Sdn. Bhd. (“TNB Genco”), a wholly-owned subsidiary of Tenaga Nasional Bhd. have entered into an agreement to export and import 100 megawatts (MW) of electricity to Singapore via the newly upgraded interconnector between the two countries. It is the first-time electricity from Malaysia would be supplied to Singapore on a commercial basis, adhering to the Malaysian Energy Commission’s guide for cross-border electricity sales (“CBES Guide”).

In addition, the lifting of the export ban by the Malaysian Government on renewable energy bodes well for the development of Malaysia’s green electricity market. YTL PowerSeraya is well-positioned to participate in the green energy import market to meet rising demand in Singapore.

On January 2024, YTL PowerSeraya won the inaugural request for proposal under Singapore’s Energy Market Authority’s new Centralised Process framework to develop a new 600MW hydrogen-ready combined-cycle gas turbine (“CCGT”) power plant at its Pulau Seraya Power Station site. YTL PowerSeraya’s CCGT power plant will be at least 30% volume hydrogen-ready, with the ability to be retrofitted to become operationally 100% hydrogen-ready in the future. This will aid in emissions reduction, as the combustion of hydrogen gas generates no greenhouse gases, thereby underscoring the organisation’s commitment to environmentally sustainable practices.

As power generation is an essential service, electricity demand is expected to remain stable. This segment will continue to focus on customer service, operational efficiency and exploring diversification beyond the core business into integrated multi-utilities supply.

The Group will be developing a large portion of the Kulai Young Estate into a large scale solar power facility with a generation capacity of up to 500MW to co-power a 500MW green data centre park. This is in line with the Group’s shift towards investing in more sustainable renewable energy solutions moving forward.

Water & Sewerage

As Wessex Water’s appointed business enters the penultimate year of its Price Review (“PR19”), it continues to work towards delivering the investment commitments agreed with the regulator whilst discussing its submitted plan for the next price review. Under the existing regulatory settlement, any enduring inflationary cost pressures will be compensated in future years’ tariff revenues. Outside of the appointed business Wessex Water continues to explore low risk opportunities for organic growth within the wider UK group.

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Telecommunications

The Group's YES #FirstTo5G and Infinite data plans which currently provide unlimited 5G plus 4G data and its Infinite+ device plans, enables users to experience the fifth generation of wireless mobile technology, delivering higher data speed, ultra-low latency, more reliable coverage, massive network capacity and a more uniform user experience. YTL Communications expects to extend its 5G services to the rest of the country in tandem with the rollout of Digital National Berhad's ("DNB") 5G network. The Minister of Communications, in a statement announced that DNB's 5G rollout had achieved its target of 80% coverage of the population at end of 2023.

On 1 December 2023, the Company, simultaneously with Telekom Malaysia Berhad, Infranation Sdn. Bhd. (a subsidiary of CelcomDigi Berhad), Maxis Broadband Sdn. Bhd. and U Mobile Sdn. Bhd., executed share subscription agreements (SSAs) with DNB and the Minister of Finance (Incorporated) to each take up a 14% equity stake in DNB. Completion of the transaction is subject to certain conditions precedent, which have yet to be satisfied.

By continuing to offer affordable data plans and offering innovative 5G services, this segment is looking to increase its subscriber base bolstered by partnerships and collaborations.

Investment holding activities

The Group is currently developing the YTL Green Data Center Park within the Kulai Young Estate in Johor. This will be the first data center campus in Malaysia to be co-powered by on-site renewable solar energy. To date, the Group has partnered with Sea Limited as a co-locator to anchor this world-class green facility. The campus will incorporate innovative and sustainable solutions in design and operations to achieve high-energy efficiency. It is expected to serve a growing demand in the region for eco-friendly, cost-efficient data center solutions from hyperscalers and co-location customers alike.

The Group in consortium with Sea Limited was awarded a digital banking licence by Bank Negara Malaysia in April 2022. This new venture, which will leverage multiple synergies between the Group and Sea Limited, will enable the Group to further contribute to the growth of Malaysia's digital transformation and broaden access of its citizens to financial services, particularly the underserved and underbanked, as well as micro, small and medium enterprises (MSMEs).

The Group expects the performance of its business segments to remain resilient due to the essential nature of its operations, and will continue to closely monitor the related risks and impact on all business segments.

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B4. Variance of Actual Profit from Financial Estimate, Forecast, Projection or Profit Guarantee

The Group did not issue any financial estimate, forecast, projection or profit guarantee during the current financial year to date.

B5. Audit Report of the preceding financial year ended 30 June 2023

The Auditors' Report on the financial statements of the financial year ended 30 June 2023 did not contain any qualification.

B6. Profit for the period

	Current Quarter 31.3.2024 RM'000	Current Year To Date 31.3.2024 RM'000
Profit before taxation is stated after charging/(crediting):		
Allowance for impairment of an associate	302	302
Allowance for impairment of intangible assets	8,637	8,637
Allowance for impairment of inventories	381	1,298
Allowance for impairment of receivables (net of reversals)	26,176	73,912
Amortisation of contract costs	552	1,345
Amortisation of deferred income	(4,656)	(13,546)
Amortisation of grants and contributions	(1,493)	(4,422)
Amortisation of intangible assets	17,212	50,085
Bad debts recovered	(115)	(750)
Depreciation of property, plant and equipment	262,613	826,658
Depreciation of right-of-use assets	33,279	94,324
Fair value loss/(gain) on investments	3,050	(1,662)
Gain on foreign exchange	(33,653)	(33,766)
Interest expense	439,080	1,382,660
Interest income	(11,492)	(37,033)
Net gain on disposal of property, plant and equipment	(5,572)	(9,372)
Property, plant and equipment written off	1,283	2,506
	=====	=====

There was no exceptional items charged/(credited) for the period.

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B7. Taxation

	Current Quarter 31.3.2024 RM'000	Current Year To Date 31.3.2024 RM'000
In respect of current period		
- Income Tax	146,350	515,651
- Deferred Tax	(8,652)	(32,104)
	<u>137,698</u>	<u>483,547</u>

The lower effective tax rate of the Group as compared to the Malaysian statutory income tax rate for the current financial quarter and financial year to date was mainly due to income subjected to different tax jurisdictions and partially offset by non-deductibility of certain expenses for tax purposes.

B8. Corporate Proposals

There were no corporate proposals announced by the Company which are not completed as at the date of this report.

B9. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2024 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current			
Bank overdrafts	-	22,650	22,650
Bonds	-	700,000	700,000
Hire purchase	35	-	35
Revolving credit	-	824,270	824,270
Term loans	-	394,140	394,140
Trade loans	-	13,154	13,154
	<u>35</u>	<u>1,954,214</u>	<u>1,954,249</u>
Non-current			
Bonds	-	22,354,922	22,354,922
Hire purchase	81	-	81
Revolving credit	-	825,205	825,205
Term loans	3,027,299	3,173,788	6,201,087
	<u>3,027,380</u>	<u>26,353,915</u>	<u>29,381,295</u>
Total borrowings	<u>3,027,415</u>	<u>28,308,129</u>	<u>31,335,544</u>

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The borrowings which are denominated in foreign currency are as follows:

	Foreign currency '000	RM Equivalents '000
US Dollar	247,541	1,170,498
Sterling Pound	3,076,117	18,360,727
Singapore Dollar	695,275	2,435,687

All borrowings of the subsidiaries are on non-recourse basis to the Company save and except for borrowings totalling RM1,022.4 million, for which the Company has provided corporate guarantees to the financial institutions.

B10. Derivative Financial Instruments and Fair Value Changes of Financial Liabilities

(a) Derivative Financial Instruments

As at 31 March 2024, the Group's outstanding derivatives are as follows:

Type of Derivatives	Contractual notional amount RM'000	Fair Value RM'000
<u>Fuel oil Swaps</u>		
- Less than 1 year	1,758,438	93,682
- 1 year to 3 years	253,468	5,572
- More than 3 years	1,369	1
<u>Currency forwards</u>		
- Less than 1 year	1,512,025	9,021
- 1 year to 3 years	364,220	1,265
- More than 3 years	1,829	(13)

The Group entered into fuel oil swaps to hedge highly probable forecast fuel purchases that are expected to occur at various dates in the future. The fuel oil swaps have maturity dates that match the expected occurrence of these transactions.

The Group entered into currency forwards to hedge highly probable forecast transactions denominated in foreign currency expected to occur at various dates in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

All derivative financial instruments are executed with creditworthy counterparties with a view to limit the credit risk exposure of the Group.

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(b) Fair Value Changes of Financial Liabilities

The loss arising from fair value changes of financial liabilities for the current financial period ended 31 March 2024 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the loss	Fair value loss	
			Current quarter 31.3.2024 RM'000	Current year to date 31.3.2024 RM'000
Currency forwards	Foreign exchange differential between the contracted rate and the market forward rate	Foreign exchange rates differential between the contracted rate and the market forward rate which have moved unfavourably against the Group	(1)	-
Total			(1)	-

B11. Material Litigation

There were no material litigations since the date of the last audited financial statements of financial position.

B12. Dividend

The Board of Directors is pleased to declare an interim dividend of 3 sen per ordinary share for the financial year ending 30 June 2024.

The book closure and payment dates in respect of the aforesaid dividend are 12 June 2024 and 28 June 2024, respectively.

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B13. Earnings Per Share

(i) Basic Earnings Per Share

The basic earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent by the weighted average number of ordinary shares in issue during the financial quarter and financial year to date as set out below:

	Individual Quarter		Cumulative Quarter	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
Profit attributable to Owners of the Parent (RM'000)	<u>698,689</u>	<u>519,637</u>	<u>2,391,715</u>	<u>891,741</u>
Weighted average number of ordinary shares ('000)	<u>8,102,699</u>	<u>8,102,154</u>	<u>8,102,335</u>	<u>8,102,155</u>
Basic earnings per share (Sen)	<u>8.62</u>	<u>6.41</u>	<u>29.52</u>	<u>11.01</u>

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(ii) Diluted Earnings Per Share

The diluted earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent by the weighted average number of ordinary shares in issue during the financial quarter and financial year to date as set out below:

	Individual Quarter		Cumulative Quarter	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023
Profit attributable to Owners of the Parent (RM'000)	<u>698,689</u>	<u>519,637</u>	<u>2,391,715</u>	<u>891,741</u>
<i>Weighted average number of ordinary shares – diluted ('000)</i>				
Weighted average number of ordinary shares - basic	8,102,699	8,102,154	8,102,335	8,102,155
Effect of unexercised ESOS	<u>187,764</u>	<u>70,136</u>	<u>177,373</u>	<u>64,259</u>
	<u>8,290,463</u>	<u>8,172,290</u>	<u>8,279,708</u>	<u>8,166,414</u>
Diluted earnings per share (Sen)	<u>8.43</u>	<u>6.36</u>	<u>28.89</u>	<u>10.92</u>

* *Total cash expected to be received in the event of an exercise of all outstanding ESOS is RM127.1 million. Accordingly, the Net Asset (NA) on a pro forma basis will increase by RM127.1 million resulting in a decrease in NA per share of RM0.05. In arriving at the Diluted earnings per share, NA and NA per share, no income has been accrued for the cash proceeds.*

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 23 May 2024